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March 18, 1943 - Annual Meeting of the Board of Directors

(1) Report by Chairman of the results of the annual meeting of stockholders held on March 17, 1943. (Book 9, Page 2)

(2) Approval of minutes of the meeting of the Board of Directors of Consolidated Aircraft Corporation held on January 25, 1943 and of the Board of Directors of Vultee Aircraft, Inc. held on that date; of the Executive Committee of Consolidated Aircraft Corporation held February 5, 1943; and the Executive Committee of Vultee Aircraft, Inc. held on March 1, 1943. (Bk. 9, P. 2-3)

(Continued on next page, 78)

March 18, 1943 (cont.)

(3) Election of officers of the corporation for the ensuing year or until successors are elected and qualified. (Bk. 9, Page 3)

(4) Continuing employment of H. Dalzell Wilson as Special Consultant of the corporation and fixing his annual compensation. (Book 9, Pages 5 and 6)

(5) Authorizing donation of $25,000 to American Red Cross by San Diego Division, and approving donations by various operating divisions on the basis of approximately $.60 for each employee locally employed at such divisions. Deferring action until next meeting of the Board on request by Captain E. V. Rickenbacker for donation to Army Air Forces fund. (Bk. 9, P. 9)

(6) Approving recommendations of Mr. Callery for appropriation of $500,000 for the purchase of the corporation's outstanding preferred stock for retirement, at a cost not exceeding $27.50 per share. (Book 9, Pages 9 and 10)

(7) Ratification of action of V. C. Schorlemmer and F. A. Callery amending Consolidated Aircraft Corporation's and Vultee Aircraft, Inc.'s loan agreements dated February 7, 1941, December 9, 1941 and February 14, 1942 with The Chase National Bank of the City of New York to make dividend restrictions in Vultee Aircraft, Inc.'s agreement conform to restrictions in Consolidated Aircraft Corporation's agreement. (Book 9, Page 13)

(8) Approval of expenditure for appropriation of $156,693.34 for capital expenditures for January and February, 1943. (Bk. 9, Pages 16 and 17)

(9) Acceptance of financial reports for the month of February and three months ended February 28,1943. (Book 9, P. 17-18)

(10) Fixing meeting of the Board of Directors at the regular date, April 15, 1943. (Book 9, Page 23)

(11) Report by Mr. Callery on the status of the corporation's contract renegotiations with the Price Adjustment Board. (Bk. 9, P. 23)

(12) Authorizing donation of $15,000 to Air Transport Association. (Book 9, Pages 23, and 24)

(13) Adoption of corporate seal of Consolidated Vultee Aircraft Corporation. (Book 9m Page 24)

(14) Fixing compensation of General Counsel of the corporation. (Book 9, Pages 24, 25 and 26)

March 18, 1943 (cont.)

(15) Approval of action of Messrs. Williams and Fenwick in negotiating settlement with the British Government involving payment by this corporation of $500,000 and waiver of certain claims against the British Government of escalator payments not already collected. (Book 9, Page 26)

(16) Report by Mr. Williams that Vultee Aircraft, Inc. management had approved an expenditure of $100,000 for modification of Vengeance airplanes in India. No formal action taken with respect to such expenditures. (Book 9, Page 29)

Resolutions adopted:

(1) Fixing compensation of officers of the corporation, consisting of Messrs. Girdler, Woodhead, Laddon, Leigh, Perelle, Callery, Schorlemmer, Shanahan, and Bussey. (Book 9, P. 3, 4 and 5)

(2) Appointment of Executive Committee to consist of Messrs. Girdler, Woodhead, Laddon, Leigh, Callery, Wilson and Williams, and fixing its powers, etc. (Book 9, Page 5)

(3) Appointing Commissioner of Corporations and W. M. Shanahan as attorneys upon whom process may be served in the State of California. (Book 9, Pages 6, 7 and 8)

(4) Ratifying action of President and Secretary in executing Power of Attorney designating Robert Hubbard as agent of the corporation for the service of process in the State of Kentucky. (Book 9, Pages 8 and 9)

(5) Rescinding resolution of November 12, 1942 authorizing designation of employees to sign receipts for government-owned property and authorizing Messrs. Learman, Rogers and McMakin to designate employees to sign receipts for Government-leased and other property as well as Government-owned property; (Book 9, Pages 10 and 11)

(6) Authorizing amendment to Contract No. AC 367 with The Equitable Life Assurance Society by eliminating provision permitting employer purchase payment returns in cash. (Bk. 9, P. 11-12)

(7) Authorizing execution of Lease Agreement with Defense Plant Corporation for construction and acquisition programs at New Orleans, Louisiana, and authorizing William Nelson to sign contracts, agreements, etc., and authorizing Howard I. Smith and William Nelson to execute certificates under lease agreements, certificates and statements called for under Lease Agreement with Defense Plant Corporation; receipts to Army Air Forces for Government-owned, leased, and other property; and public vouchers, invoices, etc. incident to billings to Army and Navy for the sale of the corporation's products. (Book 9, Pages 13, 14, 15 and 16)

March 18, 1943 (cont.)

(8) Authorizing continuance of the signing of contracts, etc. by officers and agents of Vultee Aircraft, Inc. and Consolidated Aircraft Corporation subsequent to the merger. (Book 9, Pages 18 and 19)

(9) Revocation of authority of James H. Waterbury, Julian D. Kale and Bowman H. Crow as authorized representatives to sign Invention Agreement, and authorizing F. E. O'Connor, Employment Manager at the Tucson Division, and Herbert D. Clough, Union Interviewer at San Diego Division, to sign such Invention Agreements; and ratifying the action of F. E. O'Connor in signing Invention Agreements prior to March 18, 1943. (Book 9, Pages 19, 20, and 21)

(10) Authorizing the continuance of withdrawal of funds by officers and agents of Vultee Aircraft, Inc. from bank accounts maintained by Vultee Aircraft, Inc. subsequent to the merger. (Book 9, Pages 21-22)

(11) Authorizing F. A. Callery to negotiate with The Chase National Bank of the City of New York and other banks a V regulation loan in an amount not exceeding $250,000,000. (Bk. 9, P. 22-23)

(12) Ratifying action of officers in obtaining three letters of credit for Spencer J. Leech or William C. Black to John C. Kelley, Jr. or Glen O. Peterson, and for Harvey M. Lemcke or Oscar E. Groffious. (Book 9, Pages 26, 27, 28, and 29)

(13) Rescinding appointment of Guaranty Trust Company of New York as Transfer Agent of the Common Stock of Consolidated, effective at the close of business March 18, 1943, and directing it to transfer all records to Schroder Trust Company. (Book 9, Pages 29 and 30.)

(14) Rescinding appointment of Empire Trust Company as Registrar of the Common stock of Consolidated, and directing it to transfer records to the Chase National Bank of the City of New York. (Book 9, Pages 29 and 30)

(15) Rescinding appointment of Security-First National Bank of Los Angeles as Co-Transfer Agent of the Common and Preferred stock of Vultee Aircraft, Inc., and directing it to transfer records to Schroder Trust Company. (Book 9, Page 30)

(16) Rescinding appointment of Citizens National Trust & Savings Bank of Los Angeles as Co-Registrar of the Common and Preferred stock of Vultee Aircraft, Inc. and directing it to transfer records to the Chase National Bank of the City of New York. (Bk. 9, Pages 30 and 31)

March 18, 1943 (cont.)

(17) Designation of W. M. Shanahan as attorney upon whom process may be served in the State of California as to litigation other than matters arising under the Blue Sky Laws of the State of California. (Book 9, Page 31)

March 29, 1943 - Special meeting - Executive Committee

Resolutions adopted:

(1) Cancellation of authorization of the Board of Directors on March 18, 1943 with respect to continuance of bank accounts in the name of Vultee Aircraft, Inc. with Citizens National Trust & Savings Bank of Los Angeles, Bank of America, Downey, California, and First National Bank of Bellflower, California, and designating said banks as depositaries of the funds of Consolidated Vultee Aircraft Corporation. (Book 9, Pages 34 to 42)

April 12, 1943 - Special Meeting - Board of Directors

Approval of minutes of Annual meeting of the Board of Directors held March 18, 1943 and minutes of the Executive Committee of March 29, 1943. (Book 9, Page 48)

Report by Mr. Callery on progress of renegotiation of contracts with Price Adjustment Board indicating offer by Government to conclude settlement on the basis of net earnings of $8,000,000 for the fiscal year 1942. (Book 9, Pages 52 - 53)

Resolutions adopted:

(1) Acceptance of resignation of V. C. Schorlemmer as Secretary of the corporation effective April 12, 1943. (Bk. 9 P. 46)

(2) Recognizing certificates of stock of the corporation executed by V. C. Schorlemmer subsequent to his resignation as Secretary. (Book 9, Pages 47 - 48)

(3) Revoking appointment of Guaranty Trust Company as Dividend Disbursing Agent and appointing Schroder Trust Company as such agent. (Book 9, Page 49)

(4) Consideration of financial statements ~~constituting~~ showing of consolidated balance sheet as of March 31, 1943, income for the month of March, 1943, and for the four months ended March 31, 1943; and declaring a dividend of $.31¼ per share on Preferred Stock, payable June 1, 1943 to stockholders of record May 20, 1943 and a dividend of $.50 per share on Common Stock payable May 15, 1943 to stockholders of record May 5, 1943. (Book 9, Pages 49, 50, 51)

(5) Authorizing F. A. Callery and W. M. Shanahan to resume negotiations for "V" Regulation loan in an amount not exceeding $250,000,000. (Book 9, Page 54)

(6) Revoking appointment of Group Annuity Committee appointed under authorizations of resolutions adopted on February 26, 1942 and reappointing a Group Annuity Committee composed of C. T. Leigh, Jas. L. Kelley, W. M. Shanahan. (Bk. 9, P. 55, 56)

(7) Granting to R. A. Stanberry the benefit of such past service retirement income and such future service retirement income as had been purchased by the corporation on his behalf up to and including the month of March, 1943. (Bk. 9, Page 56)

(8) Granting authority to G. J. Newman to execute contracts, receipts to Army Air Forces and public vouchers incident to the operation of the Fort Worth Division. (Book 9, Pages 57-58)

(9) Authorizing the President or any Vice President to execute Powers of Attorney appointing agents to transact business of the company with Collectors of Customs. (Bk. 9, P. 59)

(10) Authorizing officers of the corporation to take the necessary action to merge Intercontinent Aircraft Corporation with this corporation. (Book 9, Page 60)

(11) Authorizing officers to qualify this corporation to do business in the State of Florida. (Book 9, Page 61)

(12) Authorizing the Chairman to fix the time of next Board meeting. (Book 9, Page 61)

April 17, 1943 - Special Meeting - Executive Committee.

Resolutions adopted:

(1) Authorizing appropriations for additional machinery and equipment in the amount of $507,142.49, $238,513.43 of which was to be purchased in the open market and $268,629.06 from D. P. C.; $37,500.00 for Oxygen Storage and Distribution Systems at Plants 1 and 2; $47,468.35 for Press Brake, Screw Drivers, Box Assemblies, furnaces and Quench Tanks at Plant 2; $203,475.00 for foundations, scale house and Salvage Yard, new women's toilets, new construction - woodmill moving, new construction - paint shop moving, new construction - anodic department, and Mezzanine - northeast corner of Building #5; $25,000.00 for construction - paving parking lots and garage; $291,500.00 for building at southwest corner of Building #1, the foregoing being all for the San Diego Division; and $50,000.00 for paving two runways at the Stinson Division and $10,000.00 for new fire truck at the Vultee Field Division. (Book 9, Pages 66, 67, 68, 69, 70, 71, 72 and 73.)

May 17, 1943 - Special Meeting - Executive Committee

Resolutions adopted:

(1) Designating 36 banks as depositaries of funds of Consolidated Vultee Aircraft Corporation and revoking prior designations of depositaries of Consolidated and Vultee. (Book 9, Pages 78, 79, 80, 81, 82, 83, 84, 85 and 86.)

(2) Designating The Florida National Bank and Trust Company at Miami, Florida as a depositary for Miami Division Bank Accounts. (Book 9, Page 87)

(3) Rescinding requirement by Board of extraordinary expense approval and providing for Board approval of capital expenditure appropriations.

May 25 - Special Meeting - Executive Committee

Resolutions adopted:

(1) Appropriating $448,000 for structures at Plant #1 which were previously authorized under E.P.F. Contract NOs-2 subject to obtainment of a Certificate of Necessity therefor. (Book 9, Pages 94, 95)

(2) Appropriating $34,000 for construction of a railroad spur track at Plant #1. (Book 9, Pages 95, 96)

(3) Appropriation of $26,000 for a one-story frame building to be located on the East side of Building No. 2, Plant #1 San Diego Division. (Book 9, Page 96)

(4) Appropriation of $88,010 for radio recorder equipment, two $2\frac{1}{2}$ ton bridge cranes, one quick quench heat treating furnace and one Sly sand blast room. (Book 9, Pages 96, 97)

(5) Appropriation of $32, 145.00 for small elevator and conveyors, Toledo counting and weighing scales and sixty hand lift trucks. (Book 9, Pages 97, 98)

(6) Increase of appropriation from $50,000 to $85,000 for grading and paving with asphaltic concrete runways or landing strips at Wayne, Michigan and rescinding prior authorizations adopted on April 17, 1943 which authorized appropriation of $50,000 therefor. (Book 9, Page 98)

(7) Appropriation of $138,418 for machinery and equipment at the Stinson Division of the corporation. (Book 9, P. 99, 100)

(8) Appropriation of $5,000.00 for the purchase of 100,000 packages of cigarettes for distribution to the Army and Navy Air forces. (Book 9, Page 100)

(9) Director of Plant Facilities directed to instruct Division Manager of the Stinson Division to lodge a written protest with the Petroleum Administration for War regarding the requested conversion of boiler equipment and to make formal request for permission to retain the oil-fired boiler equipment now in use in that division. (Book 9, Page 99)

(10) Approval of a contribution of an unstated amount for support of business research program being conducted and managed by Harvard School of Business, subject to approval of the Chairman of the Board. (Book 9, page 101)

(11) No action taken on Major C.C. Mosley's inquiry relative to the corporation's interest in or disposition toward the acquisition of facilities used in the operation of his ground and flight schools. (Book 9, Page 101)

(12) Assistant Treasurer directed to write and forward a letter to Dr. Clark Millikan of the California Institute of Technology confirming a previous understanding that the Management of said Institute is to undertake the 1943 declaration of Wind Tunnel property for assessment purposes. (Book 9, page 101, 102)

June 15, 1943 - Special Meeting - Board of Directors

Approval of minutes of meeting of Board April 12, 1943 and Executive Committee April 17, 1943, May 17, 1943 and May 25, 1943. (Bk. 9, P. 105)

Ratification of action of W. M. Shanahan in executing Power of Attorney and proxy authorizing the voting of capital stock of Fleet Aircraft Ltd. (Bk. 9, Pages 107, 108)

Approval of recommendations of I. M. Laddon with respect to reduction in unit price of airplanes. (Bk. 9, Pages 112, 113, 114.)

Acceptance of Controller's financial statements of April 30 and May 31, 1943. (Bk. 9, Pages 119, 120)

Approval of appropriation for capital expenditures in the aggregate total amount of $177,921.25. (Bk. 9, Pages 121, 122, 123, 124, 125)

Discussion as to the eligibility of Col. L. B. Manning to continue as a director. (Bk. 9, Page 125)

Fixing date of holding next Board Meeting left to Chairman. (Bk. 9, Page 138)

Resolutions adopted:

(1) Adoption of new By-Laws. (Bk. 9, P. 106, 107)

(2) Ratification of action of C. T. Leigh in executing Power of Attorney appointing R. S. Pruitt and John E. Hughes, attorneys, to represent the corporation before the Treasury Department in tax matters. (Bk. 9, P. 107)

(3) Authorizing the President or any Vice President, acting jointly with the Secretary or Assistant Secretary to empower employees to sign invention agreements. (Bk. 9, P. 108, 109)

(4) Authorizing the President or any Vice President, acting jointly with the Secretary or Assistant Secretary to designate and empower employees to sign public vouchers and other documents in connection with Government contracts. (Bk. 9, P. 109, 110)

(5) Designating Union Trust Company, Washington, D. C. as a depository for Washington Petty Cash Account. (Bk. 9, Pages 110, 111, 112)

(6) Authorizing officers, employees and agents of the corporation to execute contracts, purchase orders, etc. in accordance with Corporate Standard Practice. (Bk. 9, P. 115, 116, 117, 118)

(7) Designating The Hibernia National Bank of New Orleans and American National Bank, Nashville, Tennessee as depositories for Ration Bank Accounts. (Bk. 9, P. 118, 119)

(8) Declaration of Common Stock dividend of $.50 per share and Preferred Stock of $.31¼ per share. (Bk. 9, P. 120, 121)

(9) Granting to H. E. Weihmiller the benefit of such past service and such future service retirement income purchased by the corporation through December, 1942. (Bk. 9, P. 125, 126)

(10) Increasing from $10,000 to $20,000 amounts which Mr. E. N. Gott is authorized to disburse for charitable and other purposes. (Bk. 9, P. 126, 127)

(11) Authorizing $30,000 for advertising in neutral, unoccupied countries for the calendar year 1943. (Bk. 9, P. 128)

(12) Authorizing Francis A. Callery and I. M. Laddon to continue negotiations with Price Adjustment Board for settlement of profits on the basis of net income of $9,176,596 or better for fiscal year 1942. (Bk. 9, P. 130)

(13) Authorizing regulation V Credit Agreement in the amount of $200,000,000. (Bk. 9, P. 132, 133, 134)

(14) Authorizing amendment to Lease Agreement, Plancor 464 to eliminate perishable tools and expendable equipment at cost of $19,432.15. (Bk. 9, P. 134, 135)

(15) Designating 16 banks as depositories for a General Office General Deposit Account. (Bk. 9, P. 136, 137)

June 17, 1943 - Special Meeting - Executive Committee

Resolutions adopted:

(1) Appropriation of $50,000 for offering of fellowships and scholarships for postgraduate and student engineers. (Bk. 9, P. 166)

(2) Appropriation of $107,902.40 for construction facilities at the Stinson Division. (Bk. 9, P. 167)

July 1, 1943 - Special Meeting - Executive Committee

Resolutions adopted:

(1) Appropriation of $24,000.00 for First Aid room, additional toilets and Maintenance room at Miami Division. (Bk. 9, P. 171)

July 3, 1943 - Special Meeting - Executive Committee

Resolutions adopted:

(1) Rescinding resolutions of the Board of Directors adopted June 15, 1943 approving Corporate Standard Practice No. 24 and Issue No. 1 and approving Issue No. 2 of C.S.P. No. 24, and reauthorizing officers, employees and agents to execute contracts, purchase orders, etc. (Bk. 9, P. 178, 179, 180, 181.)

(2) Authorizing Division Treasurers to attest signatures and affix seal to documents. (Bk. 9, P. 182)

(3) Designating Bank of America, N.T. & S.A., San Diego and Bankers Trust Company of New York as depositories for Amounts Withheld From Employees Under Current Tax Payment Act of 1943 Account. This resolution was rendered obsolete by subsequent treasury regulations requiring establishment of accounts in the name of Federal Reserve Bank as Fiscal Agent for the U. S. (Bk. 9, P. 183)

August 10, 1943 - Special Meeting - Board of Directors

Approval of minutes of Board June 15, 1943 and of Executive Committee July 3, 1943. (Bk. 10, P. 2)

Acceptance of resignation of G. M. Williams as Director and as member of Executive Committee. (Bk. 10, P. 2, 3)

Consideration of financial statements of June 30 and July 31, 1943, and income for eight-months' period ended July 31, 1943. (Bk. 10, P. 3)

Report on purchases of Preferred Stock under sinking fund. (Bk. 10, P. 3, 4)

Contributions approved. (Bk. 10, P. 4).

Appropriation of $830,105 for construction and equipment of seven cafeterias. (Bk. 10, P. 13, 14, 15)

Resumé of capital expenditures through July, 1943. (Bk. 10, P. 15)

Discussion re appropriation of $375,000 for purchase of Ryan property fronting Pacific Highway, South of Plant 1. (Bk. 10, P. 16)

Appropriation of $477,000 for wind tunnel proposed to be erected on the Ryan property, and discussion re flight test hangar also to be constructed thereon at estimated cost of $900,000. (Bk. 10, P. 16)

Authorizing Donald N. McDonnell to investigate possibility of effecting a merger of Ryan Aeronautical Co. with this corporation. (Bk. 10, P. 17)

Appropriations for Flight Test and Development Engineering. (Bk. 10, P. 17)

Appropriation for additional facilities for San Diego Division - $117,484. (Bk. 10, P. 18)

Appropriation for paving and improving yard area, Plant 1, San Diego - $122,000. (Bk. 10, P. 18)

Appropriation for machinery and equipment, San Diego - $187,742. (Bk. 10, P. 18)

Appropriation for addition to flight office Building, Vultee Field, machinery and equipment at Vultee - $68,100 (Bk. 10, P. 19)

Appropriation at Nashville - Increase in Cost of Flight Hangar - $56,537.47. (Bk. 10, P. 19)
(Original appropriation for flight hangar $111,074, approved 1/25/43.)

Summary of appropriations for purchase of machinery and equipment from Defense Plant Corporation - EPF contract NOa-2. (Construction items previously authorized under EPF Contract NOa-2) (Bk. 10, P. 19, 20)

Recommendation for appropriation of $450,000 for tooling and loft building at San Diego determined unjustified at this time; investigation of which by Mr. Brandt was requested. (Bk. 10, P. 20)

Discussion of corporation's option to purchase EPF financed facilities of Vultee Field for $4,288,648.89, and recommendation that no action be taken thereon at this time. (Bk. 10, P. 20)

Report by I. M. Laddon on escalator clause covering increase in cost of labor and materials covering construction of 2300 Model B-24K airplanes at unit price of $149,000. (Bk. 10, P. 20, 21)

Discussion re Col. L. B. Manning's continuance of services as Director of the corporation in view of his assignment as an officer of the U.S. Army Air Forces. (Bk. 10, P. 22)

Decision to have Chairman fix date of next meeting of Board. (Bk. 10, P. 23)

Tentative acceptance of invitation of Amon G. Carter to hold meeting of Board in Fort Worth in October. (Bk. 10, P. 23)

Recommendation by H. Dalzell Wilson re granting authority to certain Division Managers to execute contracts in amounts not exceeding $1,000,000. (Bk. 10, P. 23)

Report by V. C. Schorlemmer re negotiations with Price Adjustment Board for settlement of 1942 profits of Vultee Aircraft, Inc. -- 11½% of adjusted sales prices. (Bk. 10, P. 23, 24)

Resolutions adopted:

(1) Authorizing establishment of Ration Bank Accounts at the various divisions of the corporation. (Bk. 10, P. 5, 6)

(2) Authorizing establishment of Petty Cash Account with Third National Bank & Trust Company, Dayton, Ohio. (Bk. 10, P. 6, 7)

(3) Authorizing special account of $1,000 at Security Trust & Savings Bank, San Diego, for use by Lorine C. Mounce, Agent, in connection with charitable relief, etc., contributions. (Bk. 10, P. 7. 8. 9)

(4) Authorizing use of facsimile signatures on bank accounts at Bank of America N.T. & S.A., Downey. (Bk. 10, P. 9, 10)

(5) Authorizing Dr. Philip F. Newman, Allentown Division, to sign requisitions for narcotic order forms, etc., under Harrison Narcotic Act. (Bk. 10, P. 10).

(6) Ratifying action of Messrs. Woodhead and Shanahan in executing agreement dated June 10, 1943, amending agreement of lease of Feb. 4, 1943, with Defense Plant Corporation. (Bk. 10, P. 11) (Plancor 1644)

(7) Authorizing reimbursement to DPC of $6,986.46 for missing equipment at Intercontinent Aircraft Corporation under Plancor 464. (Bk. 10, P. 11)

(8) Ratifying action of W. A. Hayward, Division Manager, Miami Division, in accepting Building #10 as project under Plancor 464. (Bk. 10, P. 12)

(9) Authorizing General Office Paymaster and Assistant General Office Paymaster to withdraw funds from certain General Office accounts. (Bk. 10, P. 13).

(10) Amending resolution clarifying provisions re Directors' fees. (bk. 10, P. 21, 22)

October 19, 1943 - Board of Directors - Regular Meeting

(1) Approval of minutes of special meeting held August 10, 1943. (Bk. 10, P. 29-30)

(2) Election of C. W. Perelle as Director. (Bk. 10, P. 30)

(3) Approval of contract covering employees of A. J. Brandt Company employed at Ft. Worth and New Orleans Divisions. (Bk. 10, P. 37-39)

(4) Discussion on disposition of Consairway Division - no action taken. (Bk. 10, P. 46-47)

(5) Approval of price of $139,000 each on Model B-24 airplanes and authorizing officers to execute a contract for 3,400 Model B-24 airplanes and a change order for 900 B-24 airplanes at a price of $139,000 each. (Bk. 10, P. 47)

(6) Appropriating $150,000 for publication of "Plane Talk". (Bk. 10, P. 48)

(7) Discussion regarding necessity of obtaining Certificates of Necessity in advance of making expenditures. (Bk. 10, P. 49)

(8) Acceptance of Controller's financial statements of August 31 and September 30, 1943. (Bk. 10, P. 50)

(9) Appropriations for plant facilities for General Offices - $197,174.74. (Bk. 10, P. 52)

October 19, 1943 - Board of Directors - Regular Meeting (con't.)

(10) Appropriations for plant facilities for San Diego Division - $1,419,873.12. (Bk. 10, P. 53-58)

(11) Appropriations for plant facilities for Stinson Division - $20,000. (Bk. 10, P. 58-59)

(12) Total amount appropriatied for plant facilities - $1,637,047.86. (Bk. 10, P. 52-59)

(13) Approving contributions totaling $160,000. (Bk. 10, P. 59-60)

(14) Report on production and developments in C.V.A.C. Divisions and relative efficiency as compared with other aircraft companies. (Bk. 10, P. 60)

Resolutions adopted:

(1) Approving amendment to agreement of lease dated August 6, 1943 with D.P.C. (Plancor 1644 - Allentown Division) (Bk. 10, P. 31)

(2) Approving agreement of lease dated July 29, 1943 with D.P.C. (Plancor 1087 - New Orleans Division) (Bk. 10, P. 31)

(3) Authorizing President or any Vice President, acting jointly with Treasurer or Assistant Treasurer, to designate and empower employees to execute certificates to D.P.C. (Bk. 10, P. 31-33)

(4) Authorizing Washington and Dayton representatives to affix corporate seal to contracts and agreements. (Bk. 10, P. 34)

(5) Ratification of action of officers in qualifying C.V.A.C. to do business in State of Tennessee and appointing W. C. Cherry as resident agent in Tennessee. (Bk. 10, P. 35)

(6) Canceling appointment of J. Norrie Marcantel as attorney in State of Louisiana. (Bk. 10, P. 36)

(7) Appointing law firm of Phelps, Dunbar, Marks and Claverie statutory agents in State of Louisiana. (Bk. 10, P. 36-37)

(8) Rescinding resolution adopted January 21, 1942, fixing date of holding regular monthly meetings of Board. (Bk. 10, P. 37)

(9) Authorizing officers to arrange and sign for borrowings under credit agreement dated June 1, 1943, and ratifying action of C. T. Leigh in executing certificates heretofore submitted to The Chase National Bank. (Bk. 10, P. 39)

(10) Authorizing Insurance Director and Assistant Insurance Director to execute insurance agreements. Limited to $25,000 in any one case with respect to Aviation Accident Insurance and $10,000 in any one case with respect to all other insurance and bonds. (Bk. 10, P. 40-41)

(11) Approving action of Treasurer in opening and maintaining petty cash accounts in names of Chief Cashiers. (Bk. 10, P. 41)

October 19, 1943 - Board of Directors - Regular Meeting (con't.)

Resolutions adopted: (con't.)

(12) Rescinding resolutions of Executive Committee adopted July 3, 1943, authorizing officials to execute contracts and adopting new resolutions expanding authority both with reference to documents and employees authorized to execute. (Bk. 10, P. 42-46)

(13) Authorizing expenditure not to exceed $1,289,504 for advertising during calendar year 1944, subject to reduction to any lower amount approved by U. S. Treasury Department as deductible for Federal income purposes. (Bk. 10, P. 47)

(14) Authorizing and directing payment of Christmas bonus of $6.25 less withholding tax to officers and employees on payroll December 11, 1943. (Bk. 10, P. 49)

(15) Declaring dividend of $.31¼ per share on Preferred stock, payable December 1, 1943 to stockholders of record November 20, 1943; and $.50 per share on Common stock, payable November 15, 1943 to stockholders of record November 5, 1943. (Bk. 10, P. 51)

(16) Limiting authority of Home Office Management to $5,000, and Division Managers, Acting Division Managers and Department Heads to $1,000 in capital expenditures. (Bk. 10, P. 59)

November 6, 1943 - Executive Committee - Special Meeting

(1) Approving contributions to National War Chest for Divisions and Feeder Shops. (Bk. 10, P. 63-64)

November 23, 1943 - Board of Directors - Regular Meeting

(1) Approval of minutes of Board Meeting of October 19, 1943 and Executive Committee Meeting of November 6, 1943. (Bk. 10, P. 65)

(2) Approval of payment of dues of $30,000 to Aeronautical Chamber of Commerce of America, Inc., for fiscal year ending October 31, 1944. (Bk. 10, P. 77-78)

(3) Approval of corporation's membership in the Committee of Americans, Inc., at annual membership fee of $2,500. (Bk. 10, P. 78)

(4) Approval of financial statements prepared by Controller, including consolidated balance sheet as at October 31, 1943, statement of consolidated income for month of October, 1943, and for 11 months ended October 31, 1943, and analysis of consolidated surplus for 11 months ended October 31, 1943. (Bk. 10, P. 78)

(5) Approval of appropriations for Plant Facilities at General Offices and Nashville Division in amount of $38,692.63. (Bk. 10, P. 78-80)

(6) Approving acceptance of contract for 4,500 Model B-24 airplanes at unit price of $137,000. (Bk. 10, P.80)

November 23, 1943 - Board of Directors - Regular Meeting (Continued)

(7) Approving acceptance of contract with U. S. Government for manufacture of 660 Model PB4Y-2 airplanes at $155,000 each, and conversion of 3 Model B-24 airplanes to Model PB4Y-2 prototypes. (Bk. 10, P. 80)

(8) Approving acceptance of contract with U. S. Government for production of 400 additional Model B-32 airplanes at price of $499,250 each and spare parts therefor equivalent to approximately 15% of total number of airplanes. (Bk. 10, P. 81)

(9) Directing officers of the company to instruct Division Managers to submit budgets covering contributions each Division intends to make during next fiscal year and that budget must be strictly adhered to unless deviations are approved by C. T. Leigh, Vice President. (Bk. 10, P. 85)

(10) Approving contributions: (Bk. 10, P. 86-87)

Stinson Division Recreation Club		$2,736.75
Young Men's Christian Association, Whittier, California		1,000.00
Chamber of Commerce, Whittier, Cal.		1,500.00
Girl Scouts, Whittier, California		100.00
California Taxpayer's Association		1,000.00
American Theatre Wing War Service		4,800.00
National War Chest for the following Feeder Shops:		
Huntington Beach	$500	
Anaheim	250	
Banning	250	
Placentia	150	
Riverside	150	1,300.00
TOTAL		$12,436.75

(11) Report by Advertising Committee on present advertising program of C.V.A.C. (Bk. 10 - P. 87)

(12) Discussion on general sales policy of the company, with emphasis upon necessity for post-war planning; and decision to employ someone to devote his full time to post-war planning. (Bk. 10, P. 87-88)

Resolutions adopted:

(1) Approving action of officers in negotiating Renegotiation Agreement dated June 29, 1943 with Navy Price Adjustment Board, and Supplemental Agreement dated November 15, 1943, and action of H. Woodhead and F. A. Callery in executing and delivering Renegotiation Agreement and Supplemental Agreement. (Bk. 10, P. 66-68)

(2) Ratifying action of F. A. Callery in executing bill of sale of one used metal planer at New Orleans Division to Defense Plant Corporation. (Bk. 10, P. 68)

(3) Amending standard form of bank resolutions to limit authority of Division

November 23, 1943 - Board of Directors - Regular Meeting (Continued)

Resolutions adopted: (Continued)

and General Office Cashiers and Assistant Cashiers, Paymasters and Assistant Paymasters to withdrawing funds from only the Division Payroll Deduction Deposit Account and Pay-Off Draft Deposit Accounts; to provide for authorizing Assistant to the Division Manager as signatory against Nashville Division bank accounts; and to provide for authority of Director of Research of Stout Research Division as a signatory against Stout Research Division accounts; and establishing bank accounts with Bank of America N.T. & S.A., Vacaville, California, for use of Consairway Division, and Lawyers Trust Company of New York for use of General Offices. (Bk. 10, P. 69-77)

(4) Approving payment of additional compensation in amount of not exceeding $3,500,000 to supervisory personnel, subject to approval of Salary Stabilization Unit of Bureau of Internal Revenue. (Bk. 10, P. 81-85)

(5) Decision that Consairway Division should be separated from C.V.A.C., and appropriating $1,500,000 for use of Executive Committee in effecting organization of Consairway Division into a new corporation. (Bk. 10, P. 86)

(6) Decision to take steps to amend Emergency Plant Facilities Contract NOa-2. (Bk. 10, P. 88-89)

December 20, 1943 - Board of Directors - Regular Meeting

(1) Deferring approval of minutes of Board meeting of November 23, 1943 until next meeting. (Bk. 10, P. 90)

(2) Amending Corporation Standard Practice No. 24 to provide for authority of Chiefs of Materials, Purchasing Agents, or Material Supervisors to execute purchase orders for raw materials, standard parts, and supplies for a division other than one by which employed, when instructed to do so by C. T. Leigh, Vice President; the Purchasing Director; or an Assistant Purchasing Director. (Bk. 10, P. 91)

(3) Approving renewal of membership in United States Chamber of Commerce for year 1944 and payment of $1,000 dues. (Bk. 10, P. 91-92)

(4) Announcement that employees of San Diego Division who have had perfect attendance records during year ending February 5, 1944 will be presented with trophies, aggregating cost of approximately $10,000. (Bk. 10, P. 92)

(5) Approving appropriations in amount of $62,070 for San Diego Division. (Bk. 10, P. 93-94)

(6) Approving increase of $38,167 in appropriation for completing Model RR-2 radio recorder and integrating graphical analyzer being constructed at Vultee Field Division, and pointing out a requirement for an additional appropriation of $15,000 if equipment is flight tested. (Bk. 10, P. 94)

December 20, 1943 - Board of Directors - Regular Meeting (Continued)

(7) Report by F. A. Callery on discussions with commercial air lines on type of airplanes which will be required after the war; and various alternative proposals for disposition of Consairway. (Bk. 10, P. 96)

(8) Approving contributions for Welding Research Council and Coordinating Research Council and Coordinating Research Council in amount of $1,000 each. (Bk. 10, P. 96-97)

Resolutions adopted:

(1) Authorizing E. N. Gott, Assistant to President, to direct Controller and Treasurer to issue checks from time to time for miscellaneous contributions. (Bk. 10, P. 90-91)

(2) Amending resolutions adopted October 19, 1943 authorizing certain officials of the company to execute certificates required by Defense Plant Corporation in connection with Stinson Division reimbursements for expenditures for machinery, equipment, etc. so they will apply to Plancor 831 instead of Plancor 829. (Bk. 10, P. 92-93)

(3) Authorizing contract with A. J. Brandt Company for personnel and services to San Diego and Fort Worth Divisions. (Bk. 10, P. 94-96)

January 18, 1944 - Board of Directors - Regular Meeting

(1) Approving minutes of meetings of November 23 and December 20, 1943. (Bk. 10, P. 98)

(2) Authorizing and directing management to use its discretion in purchase and allocation of securities from U. S. Government during Fourth War Loan Drive. (Bk. 10, P. 106)

(3) Approving appropriations for plant facilities at San Diego, Tucson, and Allentown Divisions in amount of $211,285. (Bk. 10, P. 106-109)

(4) Approving expenditure of not exceeding $2,500,000 for improvement of Lindbergh Field, providing Certificate of Amortization is first obtained. (Bk. 10, P. 109-111)

(5) Report by Chairman on annual audit for fiscal year ended November 30, 1943, as being prepared by Arthur Young & Company. (Bk. 10, P. 111)

(6) Approving contributions to Air Transport Association Advertising Fund - $15,000; Committee for Economic Development - $5,000; and American Red Cross (for San Diego) - $50,000, and for other locations on basis of $1.25 for each employee. (Bk. 10, P. 112)

Resolutions adopted:

(1) Amending Corporation Standard Practice No. 24 to grant Assistant Purchasing Director same authority to sign and approve contracts that Purchasing Director now has; and amending resolutions of Board adopted October 19, 1943 to provide for same. (Bk. 10, P. 98-99)

January 18, 1944 - Board of Directors - Regular Meeting (Continued)

Resolutions adopted: (Continued)

(2) Authorizing use of facsimile signatures on payroll accounts. (Bk. 10, P. 99-100)

(3) Directing Treasurer to remit voluntary price refunds in amount of $4,919,246.02 received from sub-contractors and material vendors during 1943 to U. S. Government. (Bk. 10, P. 100-101)

(4) Establishing special bank account with Bank of America N.T. & S.A., San Diego, California, on which expense reimbursement checks are to be drawn in order to facilitate payment of expense accounts to employees of Flight and Service Department employees attached to General Office. (Bk. 10, P. 101-102)

(5) Fixing February 16, 1944 as record date for determining holders of stock entitled to receive notice of and vote at annual meeting of stockholders on March 15, 1944. (Bk. 10, P. 102-103)

(6) Appointing R. A. Bussey and D. S. Devlin judges of election at stockholders meeting March 15, 1944. (Bk. 10, P. 103)

(7) Appointing H. Woodhead, I. M. Laddon, and H. Dalzell Wilson Management Proxy Committee. (Bk. 10, P. 103)

(8) Nomination of candidates for election as directors at stockholders meeting March 15, 1944: A. J. Brandt, F. A. Callery, C. Coburn Darling, Rudolph H. Deetjen, Victor Emanuel, David G. Fleet, Tom M. Girdler, John Hertz, J. Mason Houghland, Louis A. Johnson, I. M. Laddon, C. T. Leigh, Donald N. McDonnell, C. W. Perelle, R. S. Pruitt, V. C. Schorlemmer, H. Dalzell Wilson, and Harry Woodhead. (Bk. 10, P. 104-105)

(9) Approving retirement of 11,900 shares of outstanding Preferred Stock; and reducing corporation's authorized Preferred Stock in conformity with laws of the State of Delaware. (Bk. 10, P. 105-106)

(10) Declaring dividend on Preferred Stock of 31¼¢ a share, payable March 1, 1944; and dividend of 50¢ a share for quarterly period ended November 30, 1943, payable February 15, 1944. (Bk. 10, P. 111-112)

February 15, 1944 - Board of Directors - Regular Meeting

(1) Approval of minutes of January 18, 1944 Board Meeting. (Bk. 10, P. 114)

(2) Ratification of action of officers of the company in executing proxy giving Wm. B. Stout and A. E. Shelton right to vote stock of Century Motors Corp. owned by Consolidated Vultee Aircraft Corporation at Century Motor's stockholders meeting held February 11, 1944. (Bk. 10, P. 115)

(3) Authorizing officers of the company to execute proxy giving Messrs. Woodhead, Laddon, and Leigh right to vote stock of Frontier Enterprises, Inc. owned by Consolidated Vultee Aircraft Corporation at Frontier's stockholders meeting to be held March 15, 1944. (Bk. 10, P. 115)

(4) Approval of proxy statement in connection with stockholders meeting to be held March 15, 1944. (Bk. 10, P. 116)

(5) Acceptance of financial statements for December, 1943 and January, 1944. (Bk. 10, P. 117-118)

(6) Approving requests for Plant Facilities appropriations in amount of $75,115. (Bk. 10, P. 118-121)

(7) Approval of contributions:

Industrial Relations Section of California Institute of Technology	$1,000
Tax Foundation, Inc.	$1,000

(Bk. 10, P. 121-122)

(8) Request of contribution of $5,000 to China-America Council of Commerce and Industry, Inc. tabled. (Bk. 10, P. 121-122)

(9) Report by Mr. Callery on negotiations underway for disposition of Consairway. No definite recommendations presented. (Bk. 10, P. 122)

(10) Report by Mr. Callery on discussions with Pan American Airways System regarding B-36 airplanes. (Bk. 10, P. 122)

Resolutions adopted:

(1) Decision to merge Frontier Enterprises, Inc. into Consolidated Vultee Aircraft Corporation, subject to approval of General Counsel. (Bk. 10, P. 115)

(2) Approval of financial statements for fiscal year ended November 30, 1943. (Bk. 10, P. 117)

(3) Amending C.S.P. #24 so that delegations of authority can be made from time to time without enlarging authority of any one person beyond that of other officers and employees of the same relative standing. (Bk. 10, P. 123)

March 15, 1944 - Annual Meeting of Stockholders

(1) Request of Chairman that stockholders present give their names to the Secretary. (Bk. 10, P. 124)

(2) Presentation and reading of notice of meeting by Secretary. (Bk. 10, P. 124)

(3) Presentation of affidavit of mailing notice of annual meeting, proxy, proxy statement, annual report, and return envelope to stockholders. (Bk. 10, P. 124-125)

(4) Presentation of alphabetical list of Common and Preferred stockholders of record February 16, 1944. (Bk. 10, P. 125).

(5) Report on appointment of R. A. Bussey and D. S. Devlin as Judges of Election, and presentation of oath of Judges. (Bk. 10, P. 125)

(6) Report on shares represented in person or by proxy. (Bk. 10, P. 125-126)

(7) Declaration of quorum. (Bk. 10, P. 126)

(8) Reading of minutes of stockholders meeting held March 17, 1943 dispensed with. (Bk. 10, P. 126)

(9) Nomination and election of the following directors:

A. J. Brandt	Louis A. Johnson
Francis A. Callery	I. M. Laddon
C. Coburn Darling	C. T. Leigh
Rudolph H. Deetjen	Donald N. McDonnell
Victor Emanuel	C. W. Perelle
David G. Fleet	R. S. Pruitt
Tom M. Girdler	V. C. Schorlemmer
John Hertz	H. Dalzell Wilson
J. Mason Houghland	Harry Woodhead

(Bk. 10, P. 126-127)

(10) Election of Arthur Young & Company as auditors (Bk. 10, P. 127-128)

(11) Presentation of annual report by Chairman. (Bk. 10, P. 128)

(12) General discussion of corporation's affairs by stockholders. (Bk. 10, P. 128)

March 15, 1944 - Board of Directors - Annual Meeting

(1) Report by Chairman on election of directors and auditors. (Bk. 10, P. 129)

(2) Approval of minutes of February 15, 1944 Board Meeting. (Bk. 10, P. 129-130)

March 15, 1944 - Board of Directors - Annual Meeting (Continued)

(3) Nomination and election of the following officers:

Chairman of the Board	Tom M. Girdler
President	H. Woodhead
Executive Vice President	I. M. Laddon
Vice President	C. T. Leigh
Vice President	C. W. Perelle
Vice President	F. A. Callery
Secretary and Treasurer	W. M. Shanahan
Controller	V. C. Schorlemmer
Assistant Secretary and Assistant Treasurer	R. A. Bussey

(Bk. 10, P. 130-131)

(4) Appointment of Pruitt, Hale and Coursen and Pruitt and Grealis as General Counsel, and fixing compensation. (Bk. 10, P. 132)

(5) Acceptance of Consolidated Balance Sheet as at February 29, 1944 and Consolidated Statements of Income and Surplus for 3 months period ended February 29, 1944. (Bk. 10, P. 132)

(6) Approval of appropriation of $500,000 for purchase of outstanding Preferred Stock for retirement; Mr. Callery authorized as agent to purchase stock. (Bk. 10, P. 133-134)

(7) Report submitted recommending Amendments to Group Annuity Plan. (Bk. 10, P. 135-136)

(8) Approval of appropriations for plant facilities, in amount of $72,120. (Bk. 10, P. 137-138)

(9) Approval of payment of increased membership dues:

Fort Worth Chamber of Commerce	$5,000
Los Angeles Chamber of Commerce	$2,500

(Bk. 10, P. 138)

(10) Approval of contributions:

United Jewish Fund, San Diego, California (for 1944)	$4,000
Art in National Defense	$2,500

(Bk. 10, P. 138)

Resolutions adopted:

(1) Fixing compensation of officers. (Bk. 10, P. 131)

March 15, 1944 - Board of Directors - Annual Meeting (Continued)

Resolutions adopted: (Continued)

(2) Appointing the following as the Executive Committee:

Tom M. Girdler	C. T. Leigh
Harry Woodhead	C. W. Perelle
I. M. Laddon	F. A. Callery

H. Dalzell Wilson

(Bk. 10, P. 131)

(3) Declaring dividend of 50¢ a share on Common stock, payable May 15, 1944 to stockholders of record May 5, 1944; 31¼¢ a share on Preferred stock, payable June 1, 1944 to stockholders of record May 19, 1944. (Bk. 10, P. 134)

(4) Authorizing establishment of ration bank account with The First & Citizens National Bank, Elizabeth City, North Carolina. (Bk. 10, P. 135)

(5) Rescinding appointment of Robert Hubbard as agent of company in the State of Kentucky and designating H. B. Posey as agent. (Bk. 10, P. 136)

(6) Appointing Bishop Trust Company, Limited, Bishop Trust Building, Honolulu, agent of company for service of process in Territory of Hawaii. (Bk. 10, P. 137)

(7) Ratifying action of J. W. Hennen, Division Manager, Nashville, in executing contract with A. J. Brandt Company dated January 15, 1944. (Bk. 10, P. 137)

March 23, 1944 - Executive Committee - Special Meeting

(1) Reducing prices of Model B-24 airplanes manufactured under Contracts Nos. W535 ac-35312, W535 ac-26992 and W535 ac-40033. (Bk. 10, P. 140-141)

SNYOPSIS OF ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON APRIL 27, 1944

1. The minutes of the meeting of the Board of Directors held on March 15, 1944 and the minutes of the meeting of the Executive Committee held on March 23, 1944 were approved.

2. Resolutions were adopted providing for the use of the Southern Arizona Bank and Trust Company, Tucson, Arizona, as a depository for the funds of the company for both General Office and Tucson Division Accounts.

3. The action of officers of the company in executing a proxy giving Mr. Gordon McMillan the right to vote the 20,000 shares of capital stock of Fleet Aircraft, Ltd. owned by this company at the annual meeting of stockholders of Fleet Aircraft, Ltd. held on April 27, 1944, was approved.

4. The financial statements of March 31, 1944 were approved.

5. Mr. Leigh, Chairman of the Group Annuity Committee, reported that the Bureau of Internal Revenue had stated informally that the company's Group Annuity Plan would qualify under the exemption provisions of Section 165 (a) of the Internal Revenue Code, if the following proposed changes were made:

    1. Eligibility requirements revised as follows:

        a. Eliminate the salary requirement.

        b. Increase the service requirement from 1 year to 3 years.

        c. Establish an age requirement by making the plan available only to employees who have attained age 25.

    2. Vesting privileges changed from either 15 years of service or 3 years under the plan to either 15 years of service or 2 years under the plan.

    3. A 10-year certain life annuity provided for each participant in the plan who retires.

    The Chairman appointed Messrs. Johnson, Pruitt, and Laddon as a Special Committee to make an independent review of the recommendations and report findings at the next Board meeting.

6. A resolution was adopted authorizing the Plant Facilities Director to sign applications for certificates of necessity and certificates of non-necessity, and all supporting documents without limitation as to amount.

7. The appropriation of $9,885 for a test section, Building #4, Plant #1, approved on January 18, 1944, was cancelled, and the following appropriations were approved:

Item	Estimated Cost
GENERAL OFFICE	
1. Installation of a temporary system of landing lights on south side of Runway 28, Lindbergh Field	$ 5,500.00
2. 4 additional amplifying circuits and related equipment for a company-owned oscillograph	5,901.00
SAN DIEGO DIVISION	
3. Increase in the cost of relocating the Subcontract Department from Building #19, Plant #1, to Building #1, Plant #1	3,155.00
4. Increase in the cost of the heating and ventilating system for the Industrial Training Building, Plant #2	1,550.00
5. Relocation, expansion, and rearrangement of the hydraulic test section of the Inspection Department in Buildings #4 and #7, Plant #1	10,820.00
6. Temporary installations required in connection with the rearrangement of the Industrial Relations Department, Building #4, Plant #2	6,560.00
Total	$33,486.00

The authorization of the new construction work listed under Items 3 and 5 was made contingent upon the company being granted a Certificate of Necessity covering these items. All other items were authorized unconditionally.

8. The following contributions were approved:

	Amount
A. American Red Cross, Washington, D. C., recommended by Mr. Leigh	$ 100

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Contributions approved: (continued)	Amount
B. Navy Red Cross War Fund, Washington, D. C., recommended by Mr. Leigh.	$1,100
C. Madison Rural Sanitarium and Hospital, Nashville, Tennessee, recommended by Mr. Woodhead.	5,000

eb:jd

6/13/44

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON JUNE 13, 1944

1. The minutes of the meeting of the Board of Directors held on April 27, 1944 were approved.

2. A resolution was adopted in memory of Mr. Arthur J. Brandt, and an engrossed copy ordered to be sent to his family.

3. The management was authorized to use its discretion in the purchasing and allocating of securities of the United States Government during the Fifth War Loan Drive.

4. Resolutions were adopted approving the action of officers of this company in executing amendments to agreements of lease with Defense Plant Corporation (Plancors 1314, 1495, and 1644).

5. Resolutions were adopted amending the resolutions supporting Corporation Standard Practice No. 24 to permit the management to authorize certain employees to execute subcontracts and purchase orders, and rescinding the authority of Material Supervisors to execute purchase orders on behalf of the company.

6. The financial statements of April 30, 1944 were approved.

7. The following dividends were declared:

   Preferred Stock dividend of 31¼¢ a share, payable September 1, 1944 to stockholders of record August 18, 1944;

   Common Stock dividend of 50¢ a share, payable August 15, 1944 to stockholders of record August 4, 1944.

8. The Special Committee, consisting of Messrs. Johnson, Pruitt, and Laddon, appointed to review the recommendations of the Group Annuity Committee reported that it unanimously approved the recommendations of the Group Annuity Committee and recommended that the Group Annuity Plan be revised accordingly, provided the United States Bureau of Internal Revenue approves the revised plan, and subject to the approval of the stockholders of the company at the next annual stockholders' meeting. The management was authorized to instruct The Equitable Life Assurance Society to apply all dividends payable on Group Annuity Contract AC-367 toward purchase payments due under the contract.

9. A motion was carried, authorizing the management to obtain a modification of the limitations regarding the purchase and retirement of shares of Preferred Stock from the banks participating in the Credit Agreement, to permit the company to expend more than $500,000 annually for the purchase of its Preferred Stock, if it so desires.

10. The resolutions adopted by the Executive Committee on July 3, 1943 authorizing Division Treasurers to attest signatures of authorized employees of the respective divisions, were amended to authorize Assistant Division Treasurers to attest signatures and affix the seal to contracts.

11. The management was requested to submit a report at the next meeting of the cost involved in heating, lighting, and air conditioning of Administration Building No. 19.

12. The following appropriations for plant facilities were approved:

Item	Estimated Cost
SAN DIEGO DIVISION	
1. Retention in the capital account of those facilities located at Plant No. 1 constructed or acquired with company funds pursuant to Emergency Plant Facilities Contract NOa-2	$1,321,300.00
This appropriation is contingent upon the company obtaining an acceptable ruling from the United States Bureau of Internal Revenue with reference to amortization.	
2. Increase in the cost of a two story steel structure at the southwest corner of Building No. 1, Plant No. 1	93,500.00
3. Equipment for the Template Reproduction Department, Building No. 5, Plant No. 1	57,019.00
4. Construction of a shed west of Building No. 1, Plant No. 1, including relocation of and improvements to the adjoining welding shack and necessary fencing to enclose the adjacent yard area	46,000.00
5. Increase in the cost of 25 IBM Job Recorders	2,500.00
STINSON DIVISION	
6. Alrock Processing Tanks and related equipment	5,950.00
Total	$1,526,269.00

Items 2, 3, 4, and 5 were authorized unconditionally. Item 6 was authorized contingent upon the company being granted a Certificate of Necessity.

13. The Board ratified the action of the management in making a contribution of $500 to Claremont Colleges, Claremont, California, for aeronautical training purposes, and in entering into an agreement to reimburse the Aeronautical Chamber of Commerce of America for a proportionate share of the cost of establishing and operating an Industrial Relations Research Department, at an estimated cost of not more than $10,000 annually. The following contributions were then approved:

		Amount
A.	Young Mens Christian Association, Downey, California, recommended by Mr. H. Woodhead	$ 1,000
B.	Harvard Graduate School of Business Administration, Boston, Massachusetts, recommended by Mr. F. A. Callery. The approval of this contribution is not to be construed as an indication of additional contributions in subsequent years.	30,000
C.	Downey Chamber of Commerce, Downey, California, recommended by Mr. C. T. Leigh.	1,000
D.	Trinity Improvement Association, Fort Worth, Texas, recommended by Mr. H. Woodhead.	5,000
E.	National Aeronautic Association, Washington, D. C., recommended by Mr. H. Woodhead.	1,000
F.	National Industrial Conference Board, Inc., New York City, recommended by Mr. C. T. Leigh.	250
G.	San Diego Hospitality Center, San Diego, California, recommended by Mr. H. Woodhead.	2,000
H.	San Diego Section of the Institute of the Aeronautical Sciences, Inc., New York City, recommended by Mr. I. M. Laddon. This contribution is approved provided this expenditure can be deducted for income tax purposes.	96,000

jd

8/14/44

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON AUGUST 14, 1944

1. The minutes of the meeting of the Board of Directors held on June 13, 1944 were approved.

2. The resignation of Mr. C. W. Perelle as Director, Vice President, and member of the Executive Committee was presented and accepted, and a committee was appointed to purchase a suitable present for Mr. Perelle.

3. A resolution was adopted approving the action of officers of this company in executing Amendatory Agreement No. 1 dated May 19, 1944, amending the agreement of lease dated July 29, 1943 (Plancor 1087) between this company and Defense Plant Corporation.

4. A resolution was adopted approving the action of Mr. J. W. Hennen, Division Manager of the Nashville Division, in executing an amendatory agreement to the contract with A. J. Brandt Company.

5. Resolutions were adopted rescinding the appointment of Mr. H. B. Posey as statutory agent of the company for the service of process in the State of Kentucky, and appointing Mr. John P. Pape as the new statutory agent.

6. Resolutions were adopted authorizing the Treasurer and the Assistant Treasurer of the company to execute all agreements for insurance and bonds, and authorizing Division Treasurers and Assistant Division Treasurers to execute proofs of loss and releases required by insurance and bonding companies, subject to certain limitations.

7. A resolution was adopted authorizing additional employees of the Treasury Departments of the General Office and San Diego and Fort Worth Divisions of the company to sign checks drawn on the War Savings Bond Deposit Accounts, to facilitate the issuance of refund checks to employees who have cancelled their subscriptions.

8. A resolution was adopted authorizing the Patent Director to execute routine documents pertaining to patents.

9. Resolutions were adopted amending Corporation Standard Practice No. 24 to permit the management to authorize Assistant Purchasing Agents and Buying Supervisors of the Purchasing Department to execute purchase orders up to $10,000, and requiring an executed copy of all contracts or agreements to be sent to the Secretary of the company for safekeeping.

10. The financial statements of July 31, 1944 were approved.

11. The proposed Renegotiation Settlement for the year 1943 was presented, and the management was authorized to enter into a Renegotiation Agreement covering this settlement.

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12. A report covering the cut-back of Model B-24 airplanes was presented and accepted.

13. A report covering the cost to heat, light, and air condition Administration Building No. 19 as compared to maintaining office quarters in other locations was presented and accepted.

14. The management was authorized to purchase one Ercoupe Airplane for research work.

15. Attention was called to a letter received from the City of San Diego, expressing appreciation for the contribution of $2,000 made by the company to the San Diego Hospitality Center.

16. The following appropriations for plant facilities were approved:

Item			Estimated Cost
	GENERAL OFFICES		
1.	Acquisition of the Ryan property		$260,000.00
2.	Spares for the company-owned Lockheed Lodestar airplane		16,000.00
3.	Equipment for an Airflow Laboratory to be installed in the proposed Wind Tunnel Building		12,750.00
	SAN DIEGO DIVISION		
4.	B-32 production facilities to be financed as a capital expenditure, consisting of:		
	(a) Temporary construction at Plant No. 1	$ 59,215.00	
	(b) Temporary construction at Plant No. 2	35,835.00	
	(c) Permanent construction at Plant No. 1	123,185.00	218,235.00
5.	Additions to the ventilating system for the Blueprint Room, Product Engineering Department, Building No. 5, Plant No. 1		9,000.00
6.	Increase in the cost of an oil storage tank, Building No. 1, Plant No. 1		4,400.00
7.	Additional facilities for the underground storage of liquid propane at Plant No. 1		28,500.00

8.	Permanent construction in connection with relocation of the Welding Department, Building No. 1, Plant No. 1	$ 5,365.00
9.	Temporary construction required in connection with the rearrangement of Building No. 3, Plant No. 1	8,785.00
10.	Increase in the cost of relocation and expansion of the Template Reproduction Department, Building No. 5, Plant No. 1	14,131.00
	Total	$577,166.00

Items 1, 2, 3, 4(a), 8, 9, and 10 were authorized unconditionally, and Items 4(c), 5, 6, and 7 were authorized contingent upon the company being granted a Certificate of Necessity.

17. The Board ratified the action of the management in making a contribution of $500 to the California Junior Chamber of Commerce, covering dues for the year 1944, and a contribution of $5,150 to the San Diego Liberator Committee for various activities for the period from December 1, 1943 to July 15, 1944. The following contributions were then approved:

		Amount
A.	United States Chamber of Commerce, covering additional dues for the year 1944, recommended by Mr. D. G. Fleet.	$ 500
B.	National Industrial Information Committee, New York City, recommended by Mr. H. Woodhead.	1,000
C.	Young Mens Christian Association, Whittier, California, recommended by Mr. C. T. Leigh	1,000
D.	Chamber of Commerce, Whittier, California, recommended by Mr. C. T. Leigh	1,000
E.	Better America Federation of Los Angeles, recommended by Mr. H. D. Wilson.	3,000

The proposal that a contribution be made to the Veterans of Foreign Wars of the United States, no amount specified, was considered and was referred to Mr. Leigh for further investigation.

18. An announcement was made that the next meeting of the Board of Directors would be held at San Diego on September 21, 1944. The directors were requested to inform the Secretary as soon as possible whether they plan to attend each meeting, due to the difficulties involved in arranging transportation and hotel accomodations.

jd

9/21/44

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON SEPTEMBER 21, 1944

1. The minutes of the meeting of the Board of Directors held on August 14, 1944 were approved.

2. The bank resolutions adopted on November 23, 1943 were amended to permit the Assistant Treasurer, when acting jointly with the Chairman of the Board or President or any Vice President, to certify names and specimen signatures to the banks.

3. A resolution was adopted approving the action of officers of this company in executing Amendatory Agreement No. 6 dated July 18, 1944, amending the agreement of lease dated November 16, 1940 (Plancor 20) between Defense Plant Corporation and this company.

4. Resolutions were adopted authorizing payment of a Christmas Bonus of $5, less 20% withholding tax, to each employee of the company on its payroll on or about Saturday, December 9, 1944. This bonus is to be paid on or before December 24, 1944 and a special Christmas check is to be used.

5. The financial statements of August 31, 1944 were approved.

6. Resolutions were adopted declaring a regular quarterly dividend of 31¼¢ a share on the Preferred Stock of this company, payable December 1, 1944 to stockholders of record November 17, 1944, and a dividend of 50¢ a share on the Common Stock of this company, payable November 15, 1944 to stockholders of record November 3, 1944. Schroder Trust Company was appointed dividend disbursing agent.

7. Mr. Laddon made a comprehensive report covering the company's post-war plans.

8. The management was authorized to enter into a contract with the Metals Reserve Corporation, covering the sale of all excess and obsolete materials, parts, and supplies, for the consideration of $1, upon condition that the company obtain a definite ruling that the loss incurred will be allowed by the Treasury Department for Income Tax purposes and by the Price Adjustment Board in any renegotiation of this company's profits.

9. The following appropriations for plant facilities were approved:

Item	Estimated Cost
SAN DIEGO DIVISION	
1. Increase in the cost of a Verson Twin Drive Press installed in Building 1, Plant 1	$ 29,960.53

2.	Increase in the cost of the Master Tooling Dock	$ 18,000.00
3.	Installation of a water fog fire control system at the new gas pit in the dispersal area, Lindbergh Field	9,500.00
4.	Expansion of the Woodmill, Building 6, Plant 1	44,000.00
5.	Machinery and equipment required for the plating section of the Welding Department, Building 1, Plant 1	15,410.00
	NASHVILLE DIVISION	
6.	30 foot Master Tooling Dock	35,285.00
	Total	$152,155.53

Items 1, 2, and 4 were authorized unconditionally, and Items 3, 5, and 6 were authorized contingent upon the company being granted a Certificate of Necessity.

10. The following contributions were approved:

		Amount
A.	Tennessee Taxpayers Association, recommended by Mr. Houghland.	$ 1,000
B.	Feeder Airline Association, recommended by Mr. Callery.	15,000
C.	Harding College, Searcy, Arkansas, recommended by Mr. Callery.	5,000
D.	San Diego County War Chest, recommended by Mr. Leigh.	131,250

The contribution requested by the Veterans of Foreign Wars and presented but not acted upon at the meeting of the Board of Directors held August 14, 1944, was not approved.

11. An announcement was made that the next meeting of the Board of Directors would be held at San Diego on October 19, 1944.

jd

SYNOPSIS OF THE ACTION TAKEN AT THE MEETING OF THE BOARD OF DIRECTORS HELD ON OCTOBER 19, 1944

1. The minutes of the meeting of the Board of Directors held on September 21, 1944 were approved.

2. A resolution was adopted approving the action of officers of this company in executing Amendatory Agreement No. 7 dated September 18, 1944, amending the agreement of lease dated November 16, 1940 (Plancor 20) between this company and Defense Plant Corporation.

3. A resolution was adopted amending the resolutions adopted by the Board on September 21, 1944, to permit the payment of $6.25, less 20% withholding tax, to each employee as a Christmas bonus, subject to the approval of the United States Treasury Department.

4. In order to meet the objections raised by the Bureau of Internal Revenue, the authority granted to the management on June 13, 1944 to purchase 10-year Certain Annuities for employees participating in the Group Annuity Plan was rescinded, and the management was authorized to place a limitation on the benefits accruing to certain employees participating in the plan, in order to preclude the possibility of discrimination in favor of certain highly-paid employees in the event of an early termination of the plan.

5. The specific signing authority granted by the Board of Directors on March 18, 1943 to Messrs. R. A. McMakin, Wm. Nelson, and Howard I. Smith; and on April 12, 1943 to Mr. G. J. Newman, was rescinded.

6. The specific authority granted by the Board of Directors on December 20, 1943 to Mr. A. E. Shelton to sign Defense Plant Corporation certificates for the Stinson Division, was rescinded.

7. Resolutions were adopted authorizing the officers of this company to enter into a contract with Metals Reserve Company for the sale by this company to Metals Reserve Company of surplus parts and supplies for the sum of $1. This company is to bear the cost of storage of the material sold until May 31, 1945.

8. The financial statements of September 30, 1944 were approved.

9. A resolution was adopted approving the expenditure of not in excess of $1,289,504 on an advertising program during the fiscal year ending November 30, 1945, provided the Commissioner of Internal Revenue signifies his intention of allowing these expenditures as operating expenses for the taxable year 1945.

10. The following contributions were approved:

    a. National War Chest for the account of divisions and feeder shops in the following amounts, recommended by Mr. Leigh:

Divisions	Amount
Fort Worth	$51,000
Vultee Field	9,000
New Orleans	7,500
Nashville	7,800
Tucson	7,500
Allentown	5,600
Louisville	2,000
Miami	3,000
Stinson	2,500
Elizabeth City	2,000
Consairway	1,000
Stout Research	400
Total	$99,300

Feeder Shops	Amount
Santa Ana	$ 750
Laguna Beach	700
Anaheim	375
Banning	100
Huntington Beach	375
Placentia	150
Riverside	300
Total	$ 2,750

	Amount
b. Merchants and Manufacturers Association of Los Angeles, recommended by Mr. C. T. Leigh.	$ 500
c. Boy Scouts of America, Rio Hondo District of the Los Angeles Area Council, recommended by Mr. C. T. Leigh.	400
d. Tucson Sunshine Club, Tucson, Arizona, recommended by Mr. C. T. Leigh.	500
e. Journal entitled "Air Affairs", recommended by Mr. C. T. Leigh.	500

11. An announcement was made that the next meeting of the Board of Directors would be held at Fort Worth, Texas, on Tuesday, November 28, 1944.

jd

11/28/44

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON NOVEMBER 28, 1944

1. The minutes of the meeting of the Board of Directors held on October 19, 1944, were approved.

2. A resolution was adopted approving the action of Mr. L. H. Cooper and Mr. M. C. McCune of the Miami Division of this company, in executing Amendatory Agreement No. 3 dated October 25, 1944, amending the agreement of lease dated February 3, 1942 (Plancor 464) between Defense Plant Corporation and this company.

3. The resolutions adopted by the Board of Directors on August 10, 1943, providing for a bank account to be carried under the name of Consolidated Vultee Aircraft Corporation - Lorine C. Mounce, Agent, were rescinded. This account was created to take care of emergency contributions to charities, but was never used.

4. The management was authorized to use its discretion in purchasing and allocating securities of the United States Government during the Sixth War Loan Drive.

5. The officers of the company were authorized to execute the renegotiation agreement covering the fiscal year 1943, providing for a profit of approximately 10.3% on the sales of Consolidated Vultee Aircraft Corporation, and a profit of approximately 9.3% on the sales of Vultee Aircraft, Inc. Under the proposed agreement the profits for the year 1943 will be reduced by $90,196,334, but the company will receive credit for $71,987,828 in Federal taxes paid, requiring a refund of $18,208,506 to the Government in cash, leaving a net income for the year of approximately $12,286,000.

6. The financial statements of October 31, 1944 were approved.

7. Mr. Callery made a report covering a forecast of net working capital, a statement of estimated consolidated income for the year 1944, a summary of estimated changes in fixed asset accounts, a summary of the emergency plant facilities as of November 30, 1944, and an estimate of potential working capital if the emergency ended November 30, 1944.

8. The appropriation of $46,000 covering the construction of a shed west of Building No. 1, Plant No. 1, approved by the Board of Directors on June 13, 1944, was cancelled. The following appropriations for plant facilities were then approved:

Item	Estimated Cost
GENERAL OFFICE	
1. Increase in the cost of spare parts for the company-owned Lockheed Lodestar airplane.	$ 5,079.10

SAN DIEGO DIVISION

2.	Installation of a signal light system for the engine run-in pits at Plant 1.		$ 9,790.00
3.	Facilities for the Perishable Tool Manufacturing and Maintenance Department, Building 2, Plant 1:		
	Temporary structures	$2,205.00	
	Permanent construction	4,750.00	
	Total		6,955.00
4.	Facilities for the discharge of sewage from Buildings 3, 4, and 33, Plant 1, into the city interceptor sewer.		26,000.00
	Total		$47,824.10

9. The payment of dues to the Aeronautical Chamber of Commerce of America, Inc., Washington, D. C., in the amount of $55,000 for the fiscal year ending October 31, 1945, was approved.

10. The following contributions were approved:

		Amount
(a)	National Planning Association, Washington, D. C., recommended by Mr. F. A. Callery.	$ 2,500
(b)	Battelle Memorial Institute, Columbus, Ohio, recommended by Mr. I. M. Laddon.	50,000
(c)	Society of Automotive Engineers, New York City, recommended by Mr. I. M. Laddon.	2,000
(d)	Institute of Aeronautical Sciences, Los Angeles, California, recommended by Mr. I. M. Laddon.	20,000
(e)	American Theatre Wing War Service, Inc., (Washington Stage Door Canteen) for the calendar year 1945, recommended by Mr. F. A. Callery.	4,800
(f)	San Diego City and County Convention Bureau, San Diego, California, recommended by Mr. H. Woodhead.	1,000
(g)	Joint National Advertising Committee of the Air Transport Association of America, 1515 Massachusetts Avenue, N. W., Washington, D. C., for the 1945 calendar year, recommended by Mr. H. Woodhead.	20,000

(h) Boys Club of San Diego, San Diego, California, recommended by Mr. H. Woodhead. $10,000

(i) Committee for Economic Development, Los Angeles, California, recommended by Mr. C. T. Leigh, at the request of Mr. C. W. Coslow. 100

11. An announcement was made that the next meeting of the Board of Directors would be held at San Diego, California, on December 19, 1944, provided the Chairman considers it necessary to hold a meeting during December.

jd

12/19/44

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON DECEMBER 19, 1944

1. The minutes of the meeting of the Board of Directors held on November 28, 1944, were approved.

2. The minutes of the meeting of the Executive Committee of the Board of Directors of Consolidated Aircraft Corporation held on March 12, 1943, were approved. Previous approval was overlooked.

3. A resolution was adopted approving the action of Mr. C. T. Leigh and Mr. R. A. Bussey, in executing Amendatory Agreement dated November 4, 1944, with Defense Plant Corporation (Plancor 1644).

4. The appointment of Mr. Jas. L. Kelley as a member of the Group Annuity Committee was cancelled, and Mr. D. G. Fleet was appointed a member of the Committee.

5. The retirement of 26,900 shares of Preferred Stock reducing the capital by $600,702.02, was approved, (the certificate of reduction to include 10 shares that were converted into Common Stock on March 22, 1943).

6. Sale of 290-4/20 shares of Common Stock, represented by fractional scrip certificates outstanding on November 30, 1944, was approved.

7. The officers were authorized to qualify the company in the State of New York.

8. A quarterly dividend of 31¼¢ a share on the Preferred Stock, payable March 1, 1945 to stockholders of record February 15, 1945, and a dividend of 50¢ a share on the Common Stock, payable February 15, 1945 to stockholders of record February 2, 1945, were declared.

9. The following appropriations were approved:

Item	Estimated Cost
SAN DIEGO DIVISION	
1. Facilities altering the final assembly line for PB4Y-2 and RY-3 airplanes.	$16,000.00
2. Increase in the cost of a Knapp-Lee Quick Quench Heat Treating Furnace.	9,514.35
Total	

10. The production problems at the various divisions were discussed.

11. A contribution of $1,000 on September 2, 1944, to the Navy Industrial Association, Inc., 250 Park Avenue, New York City, was approved.

12. The following contributions were approved:

		Amount
A.	California Taxpayers Association	$1,000
B.	United States Chamber of Commerce	500
C.	Better America Federation	3,000

eb:jd
February 19, 1945

1/30/45

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON JANUARY 30, 1945

1. The minutes of the meeting of the Board of Directors held on December 19, 1944, were approved.

2. Messrs. George E. Allen and Irving B. Babcock were elected Directors of the company.

3. The action of officers of the company in executing a proxy granting Messrs. R. S. Pruitt, S. S. Bradley, and F. H. Russell, or any one of them the right to vote the stock of Manufacturers Aircraft Association, Inc., owned by the company at the annual meeting of the stockholders of Manufacturers Aircraft Association, Inc., being held this January 30, 1945, was approved.

4. The officers of the company were authorized to execute a proxy granting to Messrs. W. B. Stout and M. Fader, or either of them, the right to vote the stock of Century Motors Corporation owned by the company at the annual meeting of the stockholders of Century Motors Corporation, to be held on February 9, 1945.

5. The officers of the company were authorized to execute a proxy granting to Messrs. H. Woodhead and W. M. Shanahan, or either of them, the right to vote the stock of Frontier Enterprises, Inc., owned by the company, at the annual meeting of the stockholders of Frontier Enterprises, Inc., to be held on March 21, 1945.

6. A resolution was adopted ratifying the action of officers of the company in executing Amendatory No. 8 to Plancor 20. (San Diego Division)

7. Resolutions were adopted rescinding the appointment of Mr. J. P. Pape as statutory agent of the company in the State of Kentucky, and appointing Mr. H. Wolfarth as the new statutory agent.

8. Resolutions were adopted ratifying the action of officers of the company in executing a supplemental agreement dated September 1, 1944, with A. J. Brandt Company for engineering services at the San Diego Division.

9. Resolutions were adopted rescinding prior resolutions authorizing certain officers of the company to execute certificates required by Defense Plant Corporation in connection with Plancor 831, covering facilities at the Stinson Division, and authorizing any of the following officers, Messrs. C. T. Leigh, W. M. Shanahan, R. A. Bussey, T. Y. Smith, Maxwell Fader, and M. P. J. Hickey, to execute any certificates required in the administration of Plancor 831.

10. A resolution was adopted directing the Treasurer to send a company check for $8,909,905.19 to the United States Government to directly disburse the refunds received from certain subcontractors and material vendors.

11. The financial statements of December 31, 1944 were accepted.

12. A resolution was adopted authorizing the management of the company to increase the Reserve for Post-War Readjustment by $6,500,000, and to charge this amount to income in the fiscal year 1944.

13. The close of business February 16, 1945, was fixed as the record date for determining stockholders eligible to vote at the annual meeting on March 21, 1945.

    R. A. Bussey and D. S. Devlin were appointed judges of election to serve at the annual meeting of the stockholders.

    H. Woodhead, I. M. Laddon, C. Coburn Darling, Rudolph H. Deetjen, and H. Dalzell Wilson were designated as the Management Proxy Committee for the annual meeting of the stockholders.

    The following nominations for directors were approved:

George E. Allen	J. Mason Houghland
Irving B. Babcock	Louis A. Johnson
Francis A. Callery	I. M. Laddon
C. Coburn Darling	C. T. Leigh
Rudolph H. Deetjen	Donald N. McDonnell
Victor Emanuel	R. S. Pruitt
Tom M. Girdler	V. C. Schorlemmer
John Hertz	H. Dalzell Wilson

Harry Woodhead

    The proof of the proxy statement to be mailed to stockholders was approved.

    The financial statements for the year ended November 30, 1944, and a letter to the stockholders signed by T. M. Girdler and H. Woodhead were approved for distribution to the stockholders.

14. A Stock Purchase and Option Plan, reserving 125,000 shares of unissued common stock of the company for option and sale to officers and other employees of the company, was adopted subject to the approval of the Plan by the stockholders at the annual meeting and by the Wage Stabilization Unit of the United States Treasury Department.

15. The sum of $500,000 was appropriated for the purchase of the company's outstanding Preferred Stock for retirement and Mr. Callery was authorized to purchase shares of outstanding Preferred Stock from time to time at not to exceed the call price of $27.50 a share plus accrued and unpaid dividends thereon, if any, until the entire $500,000 has been exhausted.

16. A resolution was adopted amending the By-laws to reduce the number of members of the Board of Directors from 18 to 17.

17. The purchase of 2 prefabricated buildings for use at the New Orleans Division at a cost of not to exceed $78,000, was authorized.

18. The following appropriations for plant facilities were approved:

Item		Estimated Cost
	GENERAL OFFICES	
1.	Purchase of Lindbergh Field Cafe equipment	$ 6,500.00
2.	Construction of 2 nose docks for B-32 airplanes	110,000.00
	SAN DIEGO DIVISION	
3.	Increase in the cost of a ventilating system in Building 5, Plant 1	3,000.00
	Total	$119,500.00

19. The additional payment of $20,000 to Mr. Ivan Dmitri to cover increased expenses incurred in connection with his book entitled "Flight to Everywhere", was authorized with the understanding that the first $10,000 in royalties realized from the sale of the second printing of the book will be paid to the company.

20. The following contributions were approved:

	Amount
A. Welding Research Council, New York City, recommended by Mr. Woodhead.	$1,000
B. Boys' Club of America, New York City, recommended by Mr. Woodhead.	200
C. California State Chamber of Commerce, recommended by Mr. Woodhead.	1,500
D. American Red Cross for 1945, on the basis of not in excess of $1.40 for each employee at the General Office and the San Diego Division, and not in excess of $1.25 for each employee at all other divisions.	

The request for a contribution of $5,000 to the Otto R. Stocke Aeronautical Library, Nashville, Tennessee, was tabled.

21. It was announced that the next meeting of the Board of Directors would be held at San Diego on March 21, 1945.

rb

3/21/45

SYNOPSIS OF THE ACTION TAKEN AT THE
ANNUAL MEETING OF THE STOCKHOLDERS
HELD ON MARCH 21, 1945

1. The Chairman requested all stockholders present to give their names to the Secretary if they had not done so and if any stockholder wished to withdraw a proxy that had been submitted, he should notify the Secretary immediately.

2. The notice of the meeting was read and ordered filed.

3. The affidavit of Philip H. Stroh was presented showing that on February 20, 1945, he mailed to each stockholder of record as of February 16, 1945, a notice of the annual meeting, a proxy statement, a proxy, a copy of the annual report, and a return envelope.

4. An alphabetical list of stockholders as of February 16, 1945, that had been open for the examination of stockholders for more than 10 preceding days was presented.

5. R. A. Bussey and D. S. Devlin qualified as judges for the purposes of the meeting.

6. The Secretary and judges reported 1,133,672 shares of stock were represented by stockholders present in person or represented by proxy; thereupon the Chairman declared that a quorum existed.

7. The reading of the minutes of the annual meeting of stockholders held March 15, 1944, was dispensed with.

8. Mr. Woodhead reported on the accomplishments of the company in 1944 and the plans of the management for the next and succeeding years.

9. The following were elected directors of the company:

George E. Allen	J. Mason Houghland
Irving B. Babcock	Louis A. Johnson
Francis A. Callery	I. M. Laddon
C. Coburn Darling	C. T. Leigh
Rudolph H. Deetjen	Donald N. McDonnell
Victor Emanuel	R. S. Pruitt
Tom M. Girdler	V. C. Schorlemmer
John Hertz	H. Dalzell Wilson

Harry Woodhead

3/21/45

10. Arthur Young & Company were elected auditors of the company for the fiscal year to end November 30, 1945.

11. The Stock Purchase and Option Plan involving the reservation of 125,000 shares of unissued common stock of the company for option and sale to officers and employees of the company was adopted.

rb

3/21/45

SYNOPSIS OF THE ACTION TAKEN AT THE
ANNUAL MEETING OF THE BOARD OF DIRECTORS
FOR THE YEAR 1945 HELD MARCH 21, 1945

1. The Chairman reported that at the annual meeting of the stockholders of the company nominees recommended by the management had been elected as directors for the ensuing year, the appointment of Arthur Young & Company as the company's auditors for the fiscal year ending November 30, 1945, had been approved, and the Stock Purchase and Option Plan had been approved.

2. The minutes of the meeting of the Board of Directors held on January 30, 1945, were approved.

3. The following persons were elected to the offices set opposite their respective names, at the stated annual rates:

Harry Woodhead, as President	$85,000
I. M. Laddon, as Executive Vice President	85,000
C. T. Leigh, as Vice President	48,400
F. A. Callery, as Vice President	35,000
R. S. Pruitt, as Vice President and General Counsel	Compensation included in the retainer fee paid to General Counsel
W. M. Shanahan, as Secretary and Treasurer	26,000
V. C. Schorlemmer, as Controller	26,000
Robert A. Bussey, as Assistant Secretary and Assistant Treasurer	10,000
M. A. McLaughlin, Jr., as Assistant Secretary	Without compensation

A resolution was adopted authorizing the Treasurer to make payments to officers listed at the rates indicated in monthly or semi-monthly installments, subject to the approval of the Salary Stabilization Unit of the United States Treasury Department.

4. The following directors were appointed as the Executive Committee of the Board of Directors:

Tom M. Girdler	C. T. Leigh
Harry Woodhead	F. A. Callery
I. M. Laddon	Irving B. Babcock

H. Dalzell Wilson

5. Pruitt, Hale and Coursen were appointed General Counsel of the company for the fiscal year to end November 30, 1945, at an annual retainer of $181,000, to cover salaries and expenses of all attorneys assigned to the company, but not to include travel expense of personnel on company business, telephone calls, telegrams, and similar items. It also does not include fees or personal expenses of local attorneys at Fort Worth and Miami Divisions, nor charges for patent work, federal tax cases, litigated matters, or the preparation of Registration Statements under the Securities Act of 1933. All excluded items are subject to special arrangements approved by the management.

6. Officers of the company were authorized to make all required applications for the sale, registration, and listing of common stock shares to be issued under the Stock Purchase and Option Plan.

7. The financial statements of January 31, 1945, and February 28, 1945, were accepted.

8. Resolutions were adopted declaring a regular quarterly dividend of 31¼¢ a share on the Preferred Stock of the company payable June 1, 1945, to stockholders of record May 15, 1945, and a dividend of 50¢ a share on the Common Stock of the company payable May 15, 1945, to stockholders of record May 4, 1945. Schroder Trust Company was appointed dividend disbursing agent.

9. Resolutions were adopted, amending resolutions adopted October 19, 1943, in support of Corporate Standard Practice No. 24, authorizing officials holding the offices of Export Sales Director, Commercial Sales Director, and Private Airplane Sales Director, to execute sales contracts without limitation as to contract value.

10. Resolutions were adopted authorizing Treasury Department employees of Allentown, Consairway, Elizabeth City, Louisville, Miami, Nashville, New Orleans, Stinson, Stout Research, Tucson, and Vultee Field Divisions, when certified by the President or a Vice President and the Treasurer or Assistant Treasurer, to sign checks drawn on the War Savings Bond Deposit Accounts maintained with the depository banks of the respective divisions.

11. The officers of the company were authorized to appoint a proxy to vote the 20,000 shares of capital stock of Fleet Aircraft, Limited, owned by this company at the annual meeting of Fleet Aircraft, Limited stockholders to be held about April 25, 1945.

12. The following appropriations for plant facilities previously approved were cancelled:

Item		Estimated Cost
	SAN DIEGO DIVISION	
a.	Retention in capital account of those facilities at Plant No. 1 acquired under Contract NOa-2	$1,321,300.00
b.	Permanent construction in relocating Welding Department in Building No. 1, Plant No. 1	5,365.00
c.	Machinery and equipment for the Welding Department, Building No. 1, Plant No. 1	15,410.00
d.	Installation of a signal light system for engine run-in pits at Plant No. 1	9,790.00
	Total amount cancelled	$1,351,865.00

The following appropriations for plant facilities were approved:

Item		Estimated Cost
	GENERAL OFFICES	
1.	Facilities required in the rearrangement of the Air Tech Hangar at the San Diego Division	$ 21,443.80
	SAN DIEGO DIVISION	
2.	Retention in capital account of those facilities at Plant No. 1 acquired under Contract NOa-2	1,304,401.10

3.	Increase in the cost of alterations and additions to the heating and ventilating system in Building No. 15, Plant No. 1		$ 1,200.00
4.	Increase in the cost of improvements and additions to the heating and ventilating system in Building No. 1, Plant No. 1		1,000.00
5.	Facilities to expand the toilet facilities for female employees in Building No. 2, Plant No. 1		5,500.00
6.	Facilities for the Welding and Plating Department, Building No. 1, Plant No. 1		12,375.00
7.	Facilities to relocate the Proof Department to the north end of the 250 foot concrete apron, Plant No. 1, and the installation of air and electric facilities in that area:		
	Temporary structures	$3,789.00	
	Land improvements	6,230.00	10,019.00
	STINSON DIVISION		
8.	Increase in the cost of paving the landing strips		12,333.52
9.	Facilities required to connect the plant sewer line to the Wayne County Sewer System:		
	Portion financed by us to be retained in capital account	$14,000.00	
	Village of Wayne Sewer Bonds to be carried in our investment account pending their disposal	26,000.00	40,000.00
	VULTEE FIELD DIVISION		
10.	Retention in capital account of that portion of the facilities constructed or acquired under Contract W535 ac-16682, which is located on company-owned land		1,205,351.65
	Total		$2,613,624.07

Items 1, 2, 3, 4, 5, 7, 8 and 9 were authorized unconditionally.

Item 6 was authorized contingent upon the company being granted a Necessity Certificate.

Item 10 was authorized subject to the condition that the formal agreement will not be executed for 30 days.

13. The following contributions were approved:

	Amount
Tax Foundation, Inc., New York City	$ 500
American Society of Mechanical Engineers, New York City	500
Junior Chamber of Commerce, San Diego, for Civil Air Patrol	800
Tennessee Taxpayers Association, Inc.	1,000
Junior League Home for Crippled Children, Nashville, Tennessee	500
Recreational Fund, Nichols General Hospital, Louisville, Kentucky	200
Trinity River Improvement Association, Fort Worth, Texas	5,000
Chamber of Commerce, Fort Worth, Texas, for the purchase of 4-H Club show animals	2,000
New Wayne Hospital, Wayne, Michigan	12,000
American Red Cross, increased over the amount authorized at the meeting held on January 30, 1945, for the General Office and all divisions	150,000

Mr. Leigh will allocate the total contribution to the various divisions

14. The Chairman was authorized to fix the place and date of the next meeting of the Board of Directors.

rb

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF DIRECTORS HELD APRIL 27, 1945

1. The resignation of Mr. T. M. Girdler as Chairman of the Board, member of the Executive Committee, and Director, effective April 24, 1945, was presented. A resolution was adopted accepting the resignation, the written resignation was ordered spread on the minutes of the meeting, the letter of resignation was ordered inserted in the Minute Book, and the form of a letter accepting Mr. Girdler's resignation to be illuminated on parchment and signed by all of the directors was approved and ordered spread upon the minutes of the meeting.

2. A contract providing for the employment of Mr. Girdler as consultant for a period of not less than 3 years was approved in substance and form and the execution of this contract by the officers of the company was authorized.

3. On the recommendation of the Option Committee a resolution was adopted authorizing the allocation of options to Mr. Girdler on 12,500 shares of Common Stock under the Stock Purchase and Option Plan at a price one-quarter of a point above the closing price of the stock on the New York Stock Exchange on this date, this recommendation being contingent upon Mr. Girdler's acceptance and execution of a proposed contract of employment with the company.

5/7/45

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON MAY 7, 1945

1. All members stood and observed one minute of silence in recognition of the victory in Europe and as a tribute to all members of the Armed Forces, including Mr. Darling's son who was killed.

2. The minutes of the meeting of the Executive Committee held on April 27, 1945, were approved.

3. Resolutions were adopted electing Mr. Irving B. Babcock Chairman of the Board and fixing his salary at the annual rate of $60,000.

4. The minutes of the annual meeting of the Board of Directors held on March 21, 1945, were approved.

5. Mr. Woodhead reported on steps taken to reduce expenses and stated that the Miami and Elizabeth City Divisions would probably be closed about May 31, 1945, and the Louisville Division would be closed about June 30, 1945.

6. Resolutions were adopted extending a rising vote of thanks to Messrs. Girdler, Woodhead, and Laddon for their contribution to the company's aircraft designs and construction and their part in the final victory of the United Nations, and ordering copies of those resolutions suitably engrossed to be delivered to Messrs. Girdler, Woodhead, and Laddon.

7. A committee composed of Messrs. Woodhead, Pruitt, and Callery was appointed to investigate and recommend to the Board at its next meeting the appropriate action to be taken by the company with reference to the proposed sale or lease of the company-owned Lockheed airplane to the Republic Steel Corporation.

8. The action of Mr. Frank A. Learman in executing the cancellation of an agreement with The Greyhound Corporation for the design and manufacture of 3 experimental busses was ratified and approved.

9. The manufacture of 1,000 Voyager airplanes for sale to commercial customers at a price of about $5,000 each, was authorized. The officers were requested to report on the progress made on this project at the next meeting of the Board.

10. The construction of three 28 to 30-place twin-engine commercial airplanes at an aggregate cost of not to exceed $3,000,000, was authorized. The progress made on this project is to be covered by reports to the Board at each subsequent meeting.

11. A committee composed of Messrs. Laddon, McDonnell, and Darling was appointed to make a further study of Consairway Division problems and submit their report at a subsequent meeting.

12. The proposed Supplemental Agreement to the company's Credit Agreement

    (a) To permit the company to expend in excess of $500,000 in any year for the redemption of its preferred stock if the working capital required to be maintained under the terms of the Credit Agreement is increased by 150% of the amount so expended in excess of $500,000 in any year, and

    (b) The company waive its right to the suspension of interest due on loans made under the terms of the Credit Agreement

    was disapproved.

13. The Executive Committee was authorized to investigate the desirability of replacing the present convertible preferred stock with a new issue of non-convertible preferred stock and to submit the Committee's recommendations to the Board at a subsequent meeting.

14. The Officers and or Executive Committee were authorized to use their discretion in purchasing and allocating Seventh War Loan securities.

15. A resolution was adopted ratifying the action of officers in executing Amendatory No. 4 to Plancor 1644 (Allentown Division).

16. Mr. Edmund Burke was elected an Assistant Secretary of the company.

17. The action of Mr. Laddon in executing a proxy granting to Messrs. S. S. Bradley and F. H. Russell, or either of them, the right to vote the stock in Manufacturers Aircraft Association, Inc. owned by this company at a meeting of the stockholders of Manufacturers Aircraft Association, Inc., held on April 18, 1945, was approved.

18. A resolution was adopted amending the resolution adopted October 19, 1943, as amended, supporting Corporate Standard Practice No. 24, eliminating the clause naming certain officers as signatores without limitation, substituting therefor a clause granting unlimited signing

authority to officers holding the offices of Chairman of the Board, President, Executive Vice-President, and any Vice-President; also granting unlimited signing authority to the General Sales Manager with respect to sales and service, and granting unlimited signing authority to the Purchasing Director and Assistant Purchasing Director with respect to subcontracts.

19. The financial statements of March 31, 1945 were received.

20. The following appropriations for plant facilities previously approved were cancelled:

Item		Estimated Cost
	GENERAL OFFICES	
a.	Construction of 2 B-32 nose docks at the San Diego Division	$110,000
	SAN DIEGO DIVISION	
b.	Facilities expanding the toilet facilities for female employees in Building No. 2, Plant No. 1	5,500
	Total amount cancelled	$115,500

The following appropriations for plant facilities were approved unconditionally:

Item		Estimated Cost
	GENERAL OFFICES	
1.	Construction of one High Pressure Hydraulic Test Stand at the San Diego Division	$ 7,000
	SAN DIEGO DIVISION	
2.	Installation of 102 High Bay Type Light Fixtures in the Tool and Die Shop, Building No. 1, Plant No. 1	9,500
3.	Airplane weighing scales	42,500
4.	Increased cost of land north of Sassafras Street between Pacific Highway and Kettner Boulevard	17,000
	Total	$76,000

21. The following contributions were approved:

	Amount
San Diego Chamber of Commerce to help defray expenses of its Post War Planning Bureau	$15,000
United Jewish Fund, San Diego	5,000

A contribution requested by Texas Christian University was disapproved.

22. The Chairman was authorized to fix the place and date of the next meeting of the Board.

rb

6/29/45

SYNOPSIS OF THE ACTION TAKEN AT THE MEETING OF THE BOARD OF DIRECTORS HELD ON JUNE 29, 1945

1. The minutes of the meeting of the Board of Directors held on May 7, 1945, were approved.

2. Mr. Woodhead reported on the effect of the recent cutbacks on plant operations, closing of divisions, and the reduction in work force.

3. Mr. Babcock commented on a letter received from Mr. Artemus L. Gates, Under Secretary of the Navy, relating to production at the Allentown, New Orleans, and San Diego Divisions. Mr. Babcock stated that a satisfactory reply would be made to the letter.

4. Each director was presented with a copy of a report entitled, "An Estimate of Aviation in the United States in 1950", prepared by Dr. Albert E. Lombard.

5. A committee composed of Messrs. Woodhead, Pruitt, and Callery recommended the sale of Lodestar C-60 airplane No. 16464 to Republic Steel Corporation, and the Chairman of the Board and the President of the company were authorized to sell this airplane to Republic Steel Corporation for approximately $68,000.

6. Mr. Neal Dow Becker was elected a member of the Board of Directors.

7. Mr. Laddon reported on the progress being made on the manufacture of Voyager airplanes at Nashville.

8. Mr. Laddon reported on the progress being made on the construction of the 28 to 30-place twin-engine commercial transport airplane.

9. Mr. Laddon reported for the committee composed of himself, Mr. McDonnell, and Mr. Darling covering the Consairway Division. Mr. Laddon stated that the Chinese Government is very much interested in having the Consairway service extended into China and that Consairway would continue working with the Chinese Government on this matter.

10. Mr. Callery reported that the Executive Committee was of the opinion that the issuance of a new series of non-convertible Preferred Stock replacing the present issue of Preferred Stock was not desirable at this time.

11. A resolution was adopted ratifying the action of Mr. O. H. Snyder, Dayton Representative, in executing Amendment No. 3 to Letter Contract W33-038-ac11072.

6/29/45

12. The financial statements of April 30, 1945, and May 31, 1945, were received, discussed, and filed.

13. Statements of Estimated Sales, Cost of Sales, and Net Income for the fiscal year 1945 were received, discussed, and filed.

14. A quarterly dividend of 31¼¢ a share on the Preferred Stock payable September 1, 1945, to stockholders of record August 17, 1945, and a dividend of 50¢ a share on the Common Stock payable August 15, 1945, to stockholders of record August 3, 1945, were declared.

15. A resolution was adopted ratifying the action of Messrs. C. T. Leigh and R. A. Bussey in executing Agreement dated May 4, 1945 (Amendatory No. 5) amending the Agreement of Lease dated February 4, 1943 (Plancor 1644).

16. Resolutions were adopted authorizing the holder of the position of Works Manager at Vultee Field Division to exercise the same signing authority as a Division Manager.

17. The appropriation of $10,019 approved by the Board of Directors on March 21, 1945, for the relocation of the Proof Department at the north end of the 250 foot concrete apron, Plant 1, San Diego Division, and the installation of air and electric connections in that area was cancelled and the following appropriation for plant facilities was approved:

Item	Estimated Cost
GENERAL OFFICES	
1. Rearrangement of the Experimental Test Laboratories and the relocation of the Flight Research Department in Building 5, Plant 1 (San Diego Division).	$9,521.91

18. The following contributions were approved:

	Amount
A. Harding College, Searcy, Arkansas	$ 5,000
B. American Cancer Society, New York City	100
C. National Aeronautic Society	1,000
D. Metropolitan Detroit Civic Airport Trust	10,000

A contribution requested by the Council for Inter-American Cooperation, Inc., New York City, was disapproved.

6/29/45

19. The Chairman was authorized to fix the place and date of the next meeting.

8/18/45

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF DIRECTORS HELD AUGUST 18, 1945

1. A resolution was adopted authorizing Mr. H. Woodhead, President, to execute an Admission, Waiver, and Consent to a deduction aggregating $5,000 under the Revenue Laws for the taxable year ended November 30, 1944, because of a past violation of the Wage and Salary Stabilization Provisions of the Emergency Price Control Act of 1942, as amended, at the Allentown Division.

8/27/45

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE EXECUTIVE COMMITTEE
OF THE BOARD OF DIRECTORS HELD AUGUST 27, 1945

1. A resolution was adopted authorizing Mr. Woodhead to execute an acceptance of the settlement offered under the war contracts related to the B-24 Program.

9/ 7/45

SYNOPSIS OF THE ACTION TAKEN AT THE
MEETING OF THE BOARD OF DIRECTORS
HELD ON SEPTEMBER 7, 1945

1. The minutes of the meeting of the Board of Directors held on June 29, 1945, and the meetings of the Executive Committee held on August 18, 1945, and August 27, 1945, were approved.

2. Mr. Woodhead reported on unfilled orders, employees at this date, forecast of employees on September 30, 1945, estimated deliveries of Model B-36 airplane in 1946, and the early closing of Allentown, Louisville, New Orleans, Tucson, and Elizabeth City Divisions.

3. Mr. Babcock reviewed current projects and commented on the experimental two-place airplane, the experimental Skycoach, the executive airplane, the Model 39 project, and the stoppage of work on the Model RY-3 airplanes.

9/7/45

4. A recent ruling permitting experimental costs to be deducted as an expense for income tax purposes in the year in which incurred was discussed.

5. A resolution was adopted ratifying the execution by Mr. F. A. Callery of Supplement No. 2 to the Credit Agreement dated June 1, 1943.

6. A resolution was adopted ratifying the signing by Mr. Callery of a letter dated August 18, 1945, requesting reduction of the aggregate principal that can be borrowed under the Credit Agreement from $200,000,000 to $90,000,000.

7. A resolution was adopted ratifying the execution by Mr. F. A. Lauerman of an offer to settle violations at the Miami Division of the Wage and Salary Stabilization Provisions of the Emergency Price Control Act of 1942, as amended, by disregarding $4,400 of wages and salaries paid by this division as a deduction for Federal income and excess profits tax purposes for the year ended November 30, 1944, and waiving the right to receive this amount as a reimbursable item under Contract No. W33-038-ac760.

8. The officers of the company were authorized to use their discretion in declaring the value of the company's capital stock for Federal capital stock tax purposes in the return to be filed on or before September 29, 1945.

9. A resolution was adopted ratifying the execution by Mr. O. H. Snyder of Supplemental Agreement No. 5 to Contract No. W535-ac-38747.

10. Resolutions were adopted terminating the appointment of Mr. George C. Tilley and appointing Mr. Stanley H. Fulton as statutory agent of the company in the State of Michigan.

11. Resolutions were adopted authorizing the Secretary of the company to execute documents necessary for the surrender of the permit to act as a foreign corporation in the State of Florida and terminating the appointment of Mr. Alfred L. McCarthy as statutory agent in the State of Florida.

12. Resolutions were adopted ratifying: The execution by Messrs. C. T. Leigh and R. A. Bussey of Amendatory No. 2 to Plancor 1087; the execution by Messrs. C. T. Leigh and Edmund Burke of Amendatory No. 3 to Plancor 1087; and the execution by Messrs. C. T. Leigh and R. A. Bussey of Amendatory No. 4 to Plancor 1314.

13. The financial statements of June 30, 1945, and July 31, 1945, were received, discussed, and filed.

14. A quarterly dividend of 31¼¢ a share on the Preferred Stock payable December 1, 1945, to stockholders of record November 16, 1945, and a dividend of 50¢ a share on the Common Stock payable November 15, 1945, to stockholders of record November 2, 1945,

were declared.

15. Mr. Callery reported on the progress made on a renegotiation settlement for 1944 business.

16. The Aviation Corporation informed the directors that it had an offer for the purchase of its Lycoming Division but withheld action to give Consolidated Vultee Aircraft Corporation the opportunity of considering the purchase of this Division. It was the concensus of opinion of the majority of the directors present that Consolidated Vultee Aircraft Corporation should not at this time make any offer for the acquisition of the Lycoming Division.

17. Mr. Babcock informed the directors that the company had been offered the opportunity of acquiring a controlling interest in the outstanding stock and stock purchase warrants of the ACF-Brill Motors Company and its subsidiary, the Hall-Scott Motor Car Company. The total consideration involved is approximately $9,000,000. No action was taken. Mr. Babcock stated he would report further at the next meeting of the Board of Directors.

18. The appropriation of $12,375 approved by the Board of Directors on March 21, 1945, for the Welding and Plating Department, Building 1, Plant 1, San Diego Division, was cancelled and the following appropriations for plant facilities were approved unconditionally:

Item	Estimated Cost
SAN DIEGO DIVISION	
1. Construction of Radar test and sight room.	$ 21,700.00
VULTEE FIELD DIVISION	
2. Retention in the Capital Account of additional facilities acquired pursuant to EPF Contract W535-ac-16682.	126,002.09

19. The following 1946 public relations budget was approved subject to being reviewed from time to time and the following proposed 1946 advertising budget was referred to the management for review, with instructions to bring it up for consideration at the next meeting of the Board of Directors.

Public Relations	$ 51,800
Advertising	545,800

20. The following contributions were approved:

A. National War Chests	$125,000
B. San Diego Taxpayers Association	500

Additional dues for 1945 requested by the Chamber of Commerce of the United States were considered but no action was taken.

A contribution requested by the National Industrial Information Committee was tabled.

21. The Chairman was authorized to fix the place and the date of the next meeting.

September 28, 1945 - Stock Option Committee Meeting

1. Options were allocated to officers, executives, department heads and employees of the company covering an aggregate total of 93,450 shares of common stock to be purchased under the Stock Purchase and Option Plan. This leaves a balance of 19,050 shares to be allocated in the future.

October 12, 1945 - Executive Committee Meeting

1. Resolutions were adopted authorizing officers of the company to execute a settlement agreement covering all contracts included in the B-24 Program.

October 18, 1945 - Executive Committee Meeting

1. It was the consensus of opinion that the company should proceed with the stove program in the Nashville plant, taking over The Aviation Corporation's commitments with respect to tooling, limited to an outlay of $1,474,475, contingent upon the execution of a satisfactory production contract under which the company would build for The Aviation Corporation a minimum of 100,000 stoves annually for the next two years.

November 30, 1945 - Executive Committee Meeting

1. The following contributions were approved:

Alfred E. Smith, Memorial Fund	$ 500.00
Air Power League	20,000.00
Society of Automotive Engineers	1,500.00
California Institute of Technology Industrial Relation Branch	500.00

2. An appropriation of $260,000 was approved for the purchase of right-of-way and construction of the railroad track at Nashville.

3. The resignation of Mr. F. A. Callery as Vice President was received and accepted, and a written contract of employment providing for the employment of Mr. Callery in a consulting capacity for a period of 2 years, commencing December 1, 1945, at a salary of $20,000 for the first year and $10,000 for the second year, was approved.

December 14, 1945 - Board of Directors Meeting

1. The minutes of the meetings held on September 7, October 12, October 18, and November 30, 1945 were approved.

2. The allocations of shares under the Stock Purchase and Option Plan as made by the Stock Option Committee at a meeting held on September 28, 1945 were approved.

3. Mr. Woodhead reported on plant operations, closing of divisions and reduction in expenses.

4. Mr. Laddon reviewed the progress being made on new projects.

5. Mr. Laddon reported on the progress being made on commercial transport airplanes.

6. Mr. William A. Blees was elected Vice President in Charge of Sales. His employment agreement and the issuance to him of options under the Stock Purchase and Option Plan were ratified.

7. The appointment of H. Wolfarth as statutory agent for the company in Kentucky was terminated and John E. Tarrant was appointed statutory agent for the company in Kentucky.

8. The authority of Dr. Phillip F. Newman to sign requisitions under the Harrison Narcotic Act in connection with the operation of the Allentown Division Medical Department was rescinded.

9. The execution of agreements or proposals providing for certain salary disallowances as deductions for Federal Income and Excess Profits Tax purposes at the Miami, Allentown and New Orleans Divisions, were ratified.

10. Resolutions were adopted providing for the retirement of 8,430 shares of Preferred Stock.

11. A resolution was adopted ratifying the signing by Mr. W. M. Shanahan of a letter dated November 9, 1945 addressed to The Chase National Bank of the City of New York requesting reduction of the aggregate principal that can be borrowed under the Credit Agreement from $90,000,000 to $50,000,000.

12. The officers of the company were authorized to cancel the existing credit agreement dated June 1, 1943 if this action is found necessary.

13. A resolution was adopted authorizing the payment of a Christmas Bonus of $6.45 including Withholding Tax of $1.45, to each employee of the company on its payroll on December 15, 1945, payment to be made on or before December 24, 1945.

14. An advertising budget of $545,810 for the fiscal year 1946 was approved subject to certain reservations.

15. Mr. Schorlemmer reported on the progress of the renegotiation settlement for the fiscal year 1944.

16. The financial statements of August 31, 1945, September 30, 1945, and October 31, 1945 were received, discussed and filed.

17. A dividend of 50¢ a share for the quarterly period ended November 30, 1945 was declared on the Common Stock, payable on February 15, 1946 to stockholders of record February 1,1946. Schroder Trust Company was appointed dividend disbursing agent.

18. Resolutions were adopted, calling for the redemption of all outstanding shares of Preferred Stock on March 1, 1946 at the redemption price of $27.81 1/4 a share, appointing Schroder Trust Company the Redemption Agent, authorizing the Treasurer to deposit funds with The Chase National Bank of the City of New York for the payment of $27.81 1/4 a share for all preferred shares not redeemed prior to March 1, 1946, and directing that the transfer books of the company be permanently closed with respect to all shares of the Preferred Stock at the close of business on March 1, 1946.

19. Mr. V. C. Schorlemmer was elected a Vice President and a member of the Executive Committee of the Board of Directors of the company.

20. The Chairman reported that the company would turn back all Government owned plants except the Fort Worth plant as quickly as possible, and that every attempt practicable would be made to utilize the facilities at Nashville by the manufacture of products other than airplanes.

21. Resolutions were adopted, accepting the proposal dated December 6, 1945 made by American Car and Foundry Company and American Car and Foundry Investment Corporation providing for the sale to this company of 445,139.9 shares and warrants to subscribe to 160,464.5 shares of ACF-Brill Motors Company Common Stock for a total consideration of $7,257,000, authorizing the officers of the company to execute an agreement of purchase and take such other action as may be necessary to effect the purchase and authorizing the payment of a commission equal to 1/2 of the commission incurred in connection with the transaction but not in excess of $60,000.

22. The appropriation of $9500 approved by the Board of Directors on May 7, 1945 for light fixtures in Building 1, Plant 1, San Diego Division, was cancelled and the following appropriations for plant facilities were approved:

Item		Estimated Cost
	General Offices	
1	Purchase of building known as Aircraft Cafe	$ 9000
	San Diego Division	
2	Additional equipment for the San Diego Wind Tunnel	$10000

23. The officers were authorized to sublet 200 feet of the north end of the Seaplane Base to the Institute of Aeronautical Sciences for the purpose of their erecting a building on this site.

24. The action of the management in making a payment of $1000 on August 9, 1945 to National Association of Manufacturers for membership for the year ending July 31, 1946 was ratified.

25. The following contributions were approved:

	Amount
A. Foote, Cone and Belding, to apply on the cost of printing the booklet "This Way Up"	$ 500
B. California Taxpayers Association	1000
C. Fort Worth Safety Council	3000
D. Tax Foundation, New York City	200
E. Institute of Aeronautical Sciences membership dues for year ending December 31, 1946	4000
F. San Diego Convention Bureau	1000
G. Chamber of Commerce of the United States membership dues for the year beginning January 1, 1946	1000

26. The chairman was authorized to fix the place and date of the next meeting.

January 11, 1946 - Executive Committee Meeting

1. The action of Mr. C. T. Leigh in amending the Stock Purchase and Option Plan to set forth a specific pricing formula was ratified and approved.

2. The action of Mr. H. Woodhead in executing a proxy dated January 8, 1946 granting to Mr. F. C. Bryan the right to vote the stock of Century Motors Corporation owned by the company at a meeting of the stockholders at Century Motors Corporation to be held on January 14, 1946 was ratified.

January 29, 1946 - Executive Committee Meeting

1. Resolutions were adopted authorizing the officers of the company to execute a Credit Agreement with The Chase National Bank of the City of New York and 12 participating banks providing for a revolving credit of $25,000,000 for the 3 year period ending January 31, 1949.

2. Resolutions were adopted accepting the proposal of American Car and Foundry Company and American Car and Foundry Investment Corporation providing for the purchase by this company of the following securities:

445,139.9 shares of ACF-Brill Motors Company Common Stock

Warrants for
160,464.5 shares of ACF-Brill Motors Company Common Stock
1,650 shares of Adjustment Stock of Eastern Massachusetts Street Railway Company
15,500 shares of Common Stock of Eastern Massachusetts Street Railway Company

for an aggregate consideration of $7,500,000.

3. Certain officers and employees of ACF-Brill Motors Company and Hall Scott Motor Car Company were granted options to buy an aggregate total of 19,500 shares of Common Stock of ACF-Brill Motors Company.

March 11, 1946 - Executive Committee Meeting

1. A contribution of $38600 to the American Red Cross allocated to the general office and various divisions was approved.

April 6, 1946 - Board of Directors Meeting

1. The minutes of the meetings held on December 14, 1945, January 11, January 29, and March 11, 1946, were approved.

2. Mr. Woodhead reported on plant operations.

3. Mr. Woodhead reported on new projects.

4. Mr. Woodhead reviewed the strike situation.

5. Mr. Blees reported on the backlog of sales as of April 4, 1946.

6. Messrs. Victor Emanuel and R. S. Pruitt reported on the status of the order issued by the Civil Aeronautics Board temporarily restraining this company from selling any of its products to American Airlines, Inc.

7. Resolutions were adopted ratifying the execution of proxies, and authorizing the officers of the company to execute other proxies from time to time appointing persons to act as proxies in voting the stock owned by the company in other corporations.

8. A resolution was adopted revoking the authority of T. Y. Smith and Maxwell Fader to execute certificates required under Plancor 831.

9. A resolution was adopted ratifying the signing of a letter dated January 18, 1946, addressed to The Chase National Bank of the City of New York, terminating as of January 28, 1946, the Credit Agreement dated June 1, 1943.

10. Resolutions were adopted ratifying the execution of a Credit Agreement dated February 1, 1946, with The Chase National Bank of the City of New York and other banks, and ratifying also the action of the Executive Committee in approving the execution of this Credit Agreement.

11. The annual salary of Mr. Irving B. Babcock, Chairman of the Board, was changed from $60,000 to $40,000 effective March 1, 1946.

12. Resolutions were adopted providing for the withdrawal of the company of its authorization to do business in the states of Florida, North Carolina, Kentucky, Arizona, Louisiana, and Pennsylvania, and the Territory of Hawaii.

13. A resolution was adopted authorizing either Mr. Harry Woodhead, President, or Mr. V. C. Schorlemmer, Vice President, to execute a proposed Renegotiation Agreement for the fiscal year ended November 30, 1944.

April 6, 1946 (cont'd.)

14. Mr. V. C. Schorlemmer reported on the proposed settlement resulting from the termination of Contract W535-ac-37856 covering the production of Model B-32 airplanes.

15. Resolutions were adopted ratifying the execution of a Certificate of Retirement of Preferred Stock dated March 28, 1946, and authorizing the necessary entries effecting the Earned Surplus and the Paid-In Surplus Accounts as a result of the retirement of this stock.

16. A resolution was adopted authorizing the officers of the company to have imprinted on all unissued common stock certificates a legend stating that the preferred stock of the company had been called for redemption and will not be re-issued, and the Articles of Incorporation had been amended to eliminate therefrom all reference to this preferred stock.

17. The financial statements of February 28, 1946, were received, discussed, and filed.

18. A dividend of 50 cents a share was declared on the common stock, payable on May 15, 1946, to stockholders of record May 3, 1946.

19. Mr. G. T. Bovee was elected Controller at an increase in salary from $13,500 a year to $15,000 a year.

20. The payment of an additional commission or finders fee of $16,050 to Messrs. Merrill, Lynch, Pierce, Fenner and Beane, in connection with the acquisition by the company of certain securities of ACF-Brill Motors Company, was authorized.

21. The investment of the company in stock of Fleet Aircraft, Limited, was discussed. It was the concensus of opinion of the directors present that the matter of selling this stock should be studied and given consideration at a later meeting.

22. The following appropriations for plant facilities, previously approved, were canceled:

Item	Amount
VULTEE FIELD DIVISION	
a. Retention in the capital account of certain items under Contract W535-ac-16682 approved March 21, 1945	$1,205,351.65
b. Retention in the capital account of certain items under Contract W535-ac-16682 approved September 7, 1945	126,002.09
STINSON DIVISION	
c. Facilities required in connection with the plant sewer system. Approved March 21, 1945.	40,000.00
Total canceled:	$1,371,353.74

The following appropriations for plant facilities were approved:

Item		Estimated Cost
	SAN DIEGO DIVISION	
1.	Acquisition of water-front property improvements	$100,000.00
	NASHVILLE DIVISION	
2.	Facilities required for the home freezer "Frostmaster" project	511,011.00
3.	Steel handling equipment	48,075.00
4.	Purchase of certain equipment owned by Reconstruction Finance Corporation	51,191.22
	STINSON DIVISION	
5.	Installation of sewer facilities.	49,000.00
	SAN DIEGO DIVISION	
6.	Purchase of certain equipment owned by Reconstruction Finanace Corporation	10,000.00
7.	Purchase of certain equipment and machinery owned by Reconstruction Finance Corporation	7,850.00
	Total	$777,127.22

A proposed appropriation of $1,275,000 for the acquisition of certain facilities at Vultee Field Division was rejected.

23. The action of Mr. C. T. Leigh in authorizing a contribution of $1,500 paid on December 6, 1945, to the Foremen's League for Education and Association, 11 West Monumental Building, Dayton, Ohio, was ratified.

24. The following contributions were approved:

		Amount
a.	Air Transport Association of America	$30,000
b.	National Planning Association	1,500
c.	Boys' Clubs of America	200
d.	Southern States Industrial Council	100

A request for a contribution of $2,500 to United Jewish Fund was not approved.

25. Consideration of certain other miscellaneous requests for contributions was deferred.

May 6, 1946 - Executive Committee Meeting

A resolution was adopted transferring as of November 30, 1945, $1,700,000 to paid-in surplus and $7,800,000 to earned surplus from the account entitled "Reserve for Post-War Adjustments", leaving a balance in this account of $9,500,000.

May 24, 1946 - Board of Directors Meeting

1. The minutes of the meetings held on April 6, 1946, and May 6, 1946, were approved.

2. Mr. Woodhead reported on plant operations.

3. Mr. Laddon reported on the progress being made on new projects.

4. A resolution was adopted ratifying the purchase for the account of the company, of 13,520 shares of common stock of ACF-Brill Motors Company at $18 a share.

5. A resolution was adopted revoking the authority of Mr. M. P. J. Hickey to execute certificates required under Plancor 831.

6. Resolutions were adopted rescinding certain bank resolutions and designating banks as depositaries, also establishing the titles of those signatories to be authorized to withdraw funds from the accounts carried in such depositaries.

7. Resolutions were adopted providing the following arrangements, appointments, and nominations in connection with the postponed annual and special meeting of the stockholders.

The date of the meeting was fixed at July 11, 1946.

The close of business June 12, 1946, was fixed as the record date for determining stockholders eligible to vote at the meeting.

Messrs. Edmund Burke and David S. Devlin were appointed Judges of Election.

Messrs. H. Woodhead, I. M. Laddon, C. Coburn Darling, Rudolph H. Deetjen, and H. Dalzell Wilson were designated as Management Proxy Committee.

The following candidates for directors were nominated:

George E. Allen	John D. Hertz
Irving B. Babcock	J. Mason Houghland
Neal Dow Becker	Louis A. Johnson
William A. Blees	I. M. Laddon
Francis A. Callery	Donald N. McDonnell
C. Coburn Darling	R. S. Pruitt
Rudolph H. Deetjen	V. C. Schorlemmer
Victor Emanuel	H. Dalzell Wilson

Harry Woodhead

May 24, 1946 (Continued)

The proof of the proxy statement to be mailed to stockholders was approved.

The audited statements of the company for the year ended November 30, 1945, and a letter to the stockholders signed by Irving B. Babcock, Chairman, and Harry Woodhead, President, were approved for distribution to the stockholders.

The employment of Georgeson & Co., 52 Wall Street, New York City, to assist in the solicitation of proxies was authorized.

8. Mr. R. S. Pruitt, Vice President, was authorized to prepare and file with the Securities and Exchange Commission a registration statement covering the stock optioned and to be optioned under the Stock Purchase and Option Plan.

9. Resolutions were adopted authorizing the officers to sign applications and other documents required by the New York and San Francisco Stock Exchanges and the Securities and Exchange Commission for the listing and registration of 125,000 shares of common stock of the company, and extending the appointment of Schroder Trust Company as Transfer Agent, and The Chase National Bank of the City of New York as Registrar to include these additional 125,000 shares of common stock to be issued under the Stock Purchase and Option Plan.

10. The financial statements of March 31, and April 30, 1946, were received, discussed, and filed.

11. The following appropriations for plant facilities were approved:

Item		Estimated Cost
	SAN DIEGO DIVISION	
1.	Purchase of milling machines owned by Reconstruction Finance Corporation	$29,061.73
2.	Purchase of certain equipment and machines owned by Reconstruction Finance Corporation	5,225.00
	VULTEE FIELD DIVISION	
3.	Purchase of improvements and buildings acquired under Contract W535 ac-16682, subject to the inability of the company to lease this property on a satisfactory basis	250,000.00
4.	Purchase of certain items of machinery and equipment acquired under Contract No. W535 ac-16682	483,000.00
5.	Blower facilities required in connection with missile and fighter projects.	12,980.00
	Total	$780,266.73

May 24, 1946 (Continued)

12. The Executive Committee was authorized to sell the company's investment in stock of Fleet Aircraft, Limited, if such action appeared to be advantageous to the company, prior to the next meeting of the Board of Directors.

13. The statements recently made before a Congressional Appropriation Committee referring to the operations at the Allentown Division of the company were discussed and explained.

June 21, 1946 - Executive Committee Meeting

Mr. V. C. Schorlemmer, Vice President, was authorized to execute an agreement extending to September 30, 1946, the time in which the Government may accept the company's proposed Renegotiation Agreement for the year ended November 30, 1944.

July 11, 1946 - Stockholders Meeting

1. The Chairman requested all stockholders present to give their names to the Secretary if they had not already done so, and if any stockholder wished to withdraw a proxy that had been submitted he should notify the Secretary immediately.

2. The Notice of the Meeting was read and ordered filed.

3. The affidavit of Philip H. Stroh was presented, showing that on June 14, 1946, he mailed to each stockholder of record June 12, 1946, a notice of the annual meeting, a proxy statement, a proxy, a copy of the annual report, and a return envelope.

4. An alphabetical list of stockholders as of June 12, 1946, was presented.

5. Messrs. Edmund Burke and David S. Devlin qualified as judges for the purposes of the meeting.

6. The Secretary and the Judges reported that 1,169,470 shares of stock were represented by stockholders present in person or represented by proxy. Thereupon the Chairman declared that a quorum existed.

7. The reading of the minutes of the annual meeting of stockholders held on March 21, 1945, was dispensed with, and the acts of the directors during the past year were ratified and approved.

8. The Chairman reported on the company's unfilled orders and reviewed the production programs at the various divisions during the next several months.

9. The following were elected directors of the company:

George E. Allen	John D. Hertz
Irving B. Babcock	J. Mason Houghland
Neal Dow Becker	Louis A. Johnson
William A. Blees	I. M. Laddon
Francis A. Callery	Donald N. McDonnell
C. Coburn Darling	R. S. Pruitt

July 11, 1946 - Continued

Rudolph H. Deetjen
Victor Emanuel
V. C. Schorlemmer
H. Dalzell Wilson
Harry Woodhead

10. Arthur Young & Company were elected auditors of the company for the fiscal year ending November 30, 1946.

July 18, 1946 - Board of Directors Meeting

1. A resolution was adopted expressing regret at the serious illness of Mr. H. Dalzell Wilson.

2. The Chairman reported that at the meeting of the stockholders held July 11, 1946, the management nominees had been elected directors for the ensuing year, and Arthur Young & Company had been elected auditors for the fiscal year ending November 30, 1946.

3. The minutes of the meetings held on May 24, and June 21, 1946, were approved.

4. The following persons were elected to the offices set opposite their respective names at the stated annual rates of compensation:

Irving B. Babcock, Chairman of the Board	$40,000
Harry Woodhead, President	70,000
I. M. Laddon, Executive Vice President	70,000
C. T. Leigh, Vice President	48,400
V. C. Schorlemmer, Vice President	26,000
William A. Blees, Vice President	40,000
R. S. Pruitt, Vice President and General Counsel	Compensation included in the retainer fee paid to General Counsel
W. M. Shanahan, Secretary and Treasurer	20,000
G. T. Bovee, Controller	15,000
Robert A. Bussey, Assistant Secretary and Assistant Treasurer	10,000
Edmund Burke, Assistant Secretary	Carried on Flat Salary Payroll
Henry J. Oechler, Assistant Secretary	Without Compensation

5. The following directors were appointed as an Executive Committee of the Board of Directors:

Irving B. Babcock
Harry Woodhead
I. M. Laddon
William A. Blees
Victor Emanuel
R. S. Pruitt
V. C. Schorlemmer

6. Pruitt, Hale and Coursen, and Pruitt and Grealis were appointed General Counsel of the company for the fiscal year to end November 30, 1946, and the Executive Committee of the Board of Directors was authorized to fix the annual retainer fee to be paid to the General Counsel.

July 18, 1946 - Continued

7. The resolutions adopted on August 10, 1943, establishing the fee to be paid to any non-employee director, were rescinded as of July 31, 1946, and new resolutions were adopted establishing a fee, on an annual salary basis, of $4,000 provided the director attends at least one half of the meetings, and $2,000 provided the director attends less than one half of the meetings held within a fiscal year.

8. The Chairman reported on the reduction in salaries made throughout the organization.

9. Mr. Woodhead reported on plant operations.

10. Mr. Laddon reported on new projects.

11. The execution of an agreement dated June 11, 1946, with Messrs. T. P. Hall and T. P. Faulconer was ratified, the further development of the Hall-Faulconer roadable airplane project was authorized for which an appropriation of $200,000 was authorized for the remainder of the fiscal year 1946.

12. A report on the manufactured house project was reviewed and an appropriation of $100,000, including the construction of an experimental prototype house, was authorized.

13. A letter dated June 28, 1946, by Colonel E. T. Kennedy, Air Corps Chief, of the Los Angeles AAF Procurement Field Office, commending the company for the excellent manner in which it settled terminated war contracts, was read, and it, together with a copy of Mr. Woodhead's reply thereto, was ordered filed with the minutes.

14. A resolution was adopted congratulating Mr. Woodhead and Mr. Laddon and members of the Engineering, Production, and other departments, for the splendid work in design, development, completion of construction in an unusually short time, and the successful operation of Model 110 airplane.

15. Resolutions previously adopted authorizing Division Treasurers and Assistant Division Treasurers to attest signatures, affix the corporate seal, and execute proofs of loss and releases required under insurance and bonds, were rescinded, and resolutions were adopted granting this same authority to Division Controllers and Assistant Division Controllers.

16. Resolutions were adopted providing for the signing authority of the General Sales Manager, Stinson Aircraft.

17. Mr. Schorlemmer reported on the 1944 Renegotiation Agreement.

18. A resolution was adopted commending the organization on the progress made in the settlement of claims arising out of termination of contracts.

19. The financial statements of May 31, and June 30, 1946, were received, discussed, and filed.

July 18, 1946 - Continued

20. A dividend of 50¢ a share was declared on the common stock, payable on August 15, 1946, to stockholders of record August 2, 1946.

21. The Executive Committee of the Board of Directors was authorized to dispose of the Fleet Aircraft Limited stock.

22. The following appropriations for Plant Facilities were approved:

Item	Estimated Cost
SAN DIEGO DIVISION	
1 Purchase of a building, machines, and equipment located at San Diego and owned by Reconstruction Finance Corporation	$1,150,000.00
2 Purchase of certain miscellaneous steel and wood shelving located at San Diego and owned by Reconstruction Finance Corporation	84,600.00
3 Purchase of certain electrical equipment, miscellaneous wiring and fittings originally acquired under Navy Department Contract Noa-1013	6,000.00
Total	$1,240,600.00

23. The following contributions were approved:

	Amount
a. East San Diego YMCA-YWCA Building Fund	$1,000
b. Salvation Army, San Diego, California	500
c. Harding College, Searcy, Arkansas	500

August 23, 1946 - Executive Committee Meeting

1. The following appropriations for Plant Facilities were approved:

Item	Estimated Cost
STINSON DIVISION	
1 Increase of $23,150 in the appropriation authorized by the Board of Directors at a meeting held April 6, 1946, for the installation of sewer facilities	$23,150.00
2 Purchase from the Reconstruction Finance Corporation and War Assets Administration of certain production machinery and equipment now in use by the company under a consent agreement with the Reconstruction Finance Corporation	21,833.94

August 23, 1946 - Continued

Item	Estimated Cost
VULTEE FIELD DIVISION	
3. Purchase of certain test laboratory radio and electrical equipment	5,573.00
Total	$50,556.94

2. The officers of the company were authorized to place an order for 1,000 additional engines, and other critical items of material, for the manufacture of Stinson Voyager airplanes.

October 3, 1946 - Board of Directors Meeting

1. The minutes of the meetings held on July 18, and August 23, 1946, were approved.

2. Resolutions were adopted expressing the sorrow and the sympathy of the directors at the death of Mr. H. Dalzell Wilson.

3. Mr. Woodhead reported on plant operations and new projects including the manufactured house project.

4. The proposed contract with The Crosley Corporation for the sale of household ranges was discussed, and a committee consisting of Messrs. Becker, Chairman; Callery, and Darling was appointed and instructed to review the proposed contract and present its recommendations at the next meeting of the Board.

5. The officers of the company were authorized to execute a proposed termination settlement of Contract NOa(s) 159 covering the operations at the Allentown Division on substantially a no-loss--no-profit basis.

6. Mr. Schorlemmer reported on the 1944 Renegotiation Agreement. The execution of an agreement providing for the extension of time to December 31, 1946, for the completion of this Renegotiation Agreement was ratified.

7. The revised financial statements of June 30, 1946, were received, discussed, and filed.

8. A dividend of 50¢ a share was declared on the common stock payable on November 15, 1946, to stockholders of record November 1, 1946.

9. A report on a proposed merger of this company with Lockheed Aircraft Corporation was discussed informally, but no definite action with reference to the proposal was taken.

10. An increase of $175,000 in the budget for advertising, sales promotion, and public relations for the fiscal year 1946 was approved.

11. Appropriations approved by the Board of Directors on May 24, 1946, aggregating $733,000, for the purchase of certain facilities at

October 3, 1946 - Continued

the Vultee Field Division were cancelled, and the following appropriations for plant facilities were approved:

Item		Estimated Cost
SAN DIEGO DIVISION		
1. Purchase of 1 Douglas Spar Cap Milling Machine		$ 9,900.00
NASHVILLE DIVISION		
2. Purchase of 1 public address system located at Nashville Division and owned by Reconstruction Finance Corporation		7,886.00
VULTEE FIELD DIVISION		
3. Purchase of all land, buildings, machinery and equipment covered by Emergency Plant Facilities Contract No. W535 ac-16682		
Facilities included in Appendix A and supplements thereto	$ 100,000.00	
Facilities included in Appendix B and supplements thereto	1,897,413.15	1,997,413.15
Total		$2,015,199.15

Mr. R. S. Fleet was authorized to execute a Retention Notice and any other related documents to effectuate the acquisition of the facilities covered by Contract No. W535 ac-16682.

12. The following contributions were approved:

	Amount
a. National Community Chests. Allocations to the general office and respective divisions	$75,000
b. A Stinson Voyager airplane to Harvard University Graduate School of Business Administration	
c. Orthopedic Hospital Fund of the Society for Crippled Children of San Diego County, Inc.	6,000
d. National Association of Manufacturers, Public Relations Program	1,000
e. Welding Research Council of The Engineering Foundation, 29 West 39th Street, New York City	1,000

December 4, 1946 - Executive Committee Meeting

1. A resolution was adopted authorizing the payment of a Christmas check for $6.05, less the withholding tax of $1.05, to each employee of the company on its payroll on December 15, 1946, payment to be made on or before December 24, 1946.

December 12, 1946 - Executive Committee Meeting

1. Resolutions were adopted authorizing the execution of proposed range and freezer agreements.

2. The following appropriations for plant facilities were approved:

NASHVILLE DIVISION		
Equipment - Bus Project	$367,691.72	
Office and Cafeteria, Garage Buildings	155,500.00	
Increase in cost of machinery and equipment for stove project	255,000.00	$778,191.72
SAN DIEGO DIVISION		
1 Westinghouse high frequency induction heater	$ 7,825.00	
11 Items of DPC equipment	11,328.39	
3 Brown flight test recorders	6,200.00	
Hydraulic test equipment	6,800.00	32,153.39
VULTEE FIELD DIVISION		
Steel tanks for processing magnesium	$ 11,684.00	
2 Sets of oscillograph equipment	13,232.00	24,916.00
STINSON DIVISION		
Cleveland automatic screw machine		5,742.93
Total		$841,004.04

3. A retainer fee of $181,000 to the General Counsel for the fiscal year 1946 was approved.

January 9, 1947 - Executive Committee Meeting

1. The purchase of the property presently occupied by the company as a Washington Office, at a total cost of not to exceed $150,000 was authorized.

February 1, 1947 - Board of Directors Meeting

1. The minutes of the meetings held October 3, 1946, December 4, 1946, December 12, 1946, and January 9, 1947, were approved.

2. Bank resolutions adopted June 15, 1943, and August 10, 1943, establishing Washington and Dayton Petty Cash Accounts were rescinded.

3. Resolutions adopted October 19, 1943, as amended, were further amended to eliminate the titles Export Sales Director, Commercial Sales Director, Private Airplane Sales Director, and Assistant Contracts Director, and to change the titles Contracts Director, Dayton Representative, and Washington Representative, respectively, to Contracts Manager, Dayton Manager, and Washington Manager. Resolutions adopted October 19, 1943, authorizing the Dayton Representative and the Washington Representative to affix the corporate seal, etc., were rescinded, and new resolutions were adopted granting this authority to the Dayton Manager and Washington Manager.

4. Mr. V. C. Havens, Assistant to Vice President in Charge of Sales, was authorized to execute contracts in connection with advertising, sales promotion, and public relations with the limitation in any one case of $25,000 of contract value.

5. The appointment of Mr. Stanley H. Fulton, the statutory agent in the State of Michigan, was terminated, and Mr. Matthew A. McLaughlin, Jr., 1500 Fisher Building, Detroit 2, Michigan, was appointed as statutory agent for the company in the State of Michigan.

6. A letter received by the Chairman from Mrs. Janet Bryce Wilson, widow of former director Mr. H. Dalzell Wilson, expressing appreciation for the memorial resolutions adopted by the Board of Directors, was read and filed.

7. The action of the officers in making sales to date of 2,000 shares of stock in Fleet Manufacturing and Aircraft, Limited, was ratified, and the officers were authorized to sell the remaining 38,000 shares of stock in Fleet Manufacturing and Aircraft, Limited, now owned by the company at prices which, in the opinion of the officers, are reasonable.

8. The Chairman reviewed current projects.

9. Mr. Woodhead reported on plant operations.

10. Mr. Laddon reported on new projects.

11. The Research Program, including a budget of $289,261 for 1947, was approved.

12. A Sales Department budget of $592,868 for advertising, sales promotion, and public relations for the 6 months ended May 31, 1947, which budget included $50,000 for the Air Transport Association, and a Stinson Sales Department budget of $444,921 for the 6 months ended May 31, 1947, were approved.

February 1, 1947 - Continued

13. The following action was taken in regard to the manufactured house:

    a. A revised appropriation of $240,000 for the prototype project was approved.

    b. The expenditure of $25,000 for production engineering was approved.

    c. The expenditure of approximately $1,000 for a Public Opinion Poll was approved.

    d. The continuance of the Manufactured House Department was authorized for the period from February 19 to March 19, 1947, at a cost of approximately $10,000.

    e. If a study, to be made by Mr. McDonnell and associates during the week commencing February 3, 1947, reports favorably on the house, the Executive Committee, acting with as many other directors as are available, will have authority to order a special press for the Manufactured House Project, provided the order can be cancelled within 60 days after it is given.

    f. The Manufactured House Project is to be carried-on on a minimum basis until a final decision is made by the directors on whether the project is to be continued.

14. Mr. Joseph H. Rosenberg was elected a director.

15. Mr. C. T. Leigh, Vice President, was authorized to go on a part time basis on January 1, 1947, and his annual salary was changed from $48,400 to $15,000, effective January 1, 1947.

16. Modifications to the Stock Purchase and Option Plan were approved subject to ratification by the stockholders at the annual meeting to be held March 19, 1947.

17. A recommendation was made that Hall-Scott Motor Car Company either be dissolved or merged into ACF-Brill Motors Company.

18. The officers of the company were authorized to apply to the Commissioner of Internal Revenue for permission to permit certain accounting changes in regard to the costing of sales, etc.

19. The close of business February 19, 1947, was fixed as the record date for determining stockholders eligible to vote at the annual meeting March 19, 1947.

    Messrs. Edmund Burke and David S. Devlin were appointed Judges of Election.

    Messrs. Irving B. Babcock, Harry Woodhead, I. M. Laddon, C. Coburn Darling, and Rudolph H. Deetjen were designated as Management Proxy Committee.

    Arthur Young and Company were recommended for appointment as auditors for the fiscal year to end November 30, 1947.

February 1, 1947 - Continued

The following candidates for directors were nominated:

George E. Allen	J. Mason Houghland
Irving B. Babcock	Louis A. Johnson
Neal Dow Becker	I. M. Laddon
William A. Blees	Donald N. McDonnell
Francis A. Callery	R. S. Pruitt
C. Coburn Darling	Joseph H. Rosenberg
Rudolph H. Deetjen	V. C. Schorlemmer
Victor Emanuel	Harry Woodhead
John D. Hertz	

The proof of the Proxy Statement to be mailed to stockholders was approved.

The audited statements of the company for the year ended November 30, 1946, and a letter to the stockholders signed by Irving B. Babcock, Chairman, and H. Woodhead, President, were approved for distribution to the stockholders.

The employment of Georgeson & Co., 52 Wall Street, New York City, to assist in the solicitation of proxies, was authorized.

20. The transfer of $9,500,000 from the Reserve For Post-War Readjustment to Earned Surplus as of November 30, 1946, was ratified.

21. The financial statements of December 31, 1946, were received, discussed, and filed.

22. A dividend of 25¢ a share was declared on the Common Stock payable on February 20, 1947, to stockholders of record February 11, 1947.

23. The following appropriations for plant facilities were approved:

Item	Estimated Cost
STINSON DIVISION	
1. (a) Extension of the small parts conveyor line and the necessary installations	
(b) Rearrangement of tramrails and additional stations in the large paint booth	$16,836.00
SAN DIEGO DIVISION	
2. Purchase of 1 spar cap milling machine	56,170.94
Total	$73,006.94

February 1, 1947 - Continued

24. The following requests for memberships and contributions were approved:

		Amount	
a.	Institute of Aeronautical Sciences membership dues for the year ending December 31, 1947	$ 4,000	
b.	Foremen's League, membership subscription	1,500	
c.	California Institute of Technology Industrial Relations Program	2,000	a year for 5 years
d.	National Association of Manufacturers, membership for the year ending July 31, 1948	1,000	
e.	American Society of Mechanical Engineers	250	
f.	California Taxpayers' Association	500	
g.	San Diego Taxpayers' Association	250	
h.	Tax Foundation - dues	200	
i.	American Red Cross, allocations to the respective divisions to be made by the officers	18,000	

25. It was announced that the annual meeting of the Board of Directors would be held at San Diego, California, on March 19, 1947.

March 19, 1947 - Stockholders Meeting

1. The affidavit of Philip H. Stroh was presented showing that on February 27, 1947, he mailed to each stockholder of record February 19, 1947, a notice of the annual meeting, a Proxy Statement, a Proxy, and a copy of the Annual Report.

2. An alphabetical list of stockholders as of February 19, 1947, was presented.

3. Messrs. Edmund Burke and David S. Devlin qualified as judges for the purposes of the meeting.

4. The Chairman requested all stockholders present to give their names and the number of shares represented and to present their proxies, from which it appeared that 1,196,313 shares of stock were represented by stockholders present in person or by proxy. Thereupon the Chairman declared that a quorum existed.

5. The minutes of the last meeting of the stockholders held July 11, 1946, and the complete list of stockholders of record February 19, 1947, were presented.

March 19, 1947 - Continued

6. The annual report for the fiscal year ended November 30, 1946, was presented.

7. The following were elected directors of the company:

George E. Allen	J. Mason Houghland
Irving B. Babcock	Louis A. Johnson
Neal Dow Becker	I. M. Laddon
William A. Blees	Donald N. McDonnell
Francis A. Callery	R. S. Pruitt
C. Coburn Darling	Joseph H. Rosenberg
Rudolph H. Deetjen	V. C. Schorlemmer
Victor Emanuel	Harry Woodhead
John D. Hertz	

8. Arthur Young and Company were elected auditors of the company for the fiscal year ending November 30, 1947.

9. Amendments to the Stock Purchase and Option Plan, as described in the Proxy Statement dated February 27, 1947, were adopted.

March 20, 1947 - Executive Committee Meeting

1. The proposed contract between the company and ACF-Brill Motors Company for the manufacture of buses at Nashville was reviewed, and the members present voted unanimously in support of a motion to recommend approval of the contract by the directors.

March 26, 1947 - Stock Option Committee Meeting

1. An allocation of 1,000 shares of common stock to be optioned to Mr. R. G. Mayer was approved.

March 26, 1947 - Board of Directors Annual Meeting

1. The Chairman reported that at the annual meeting of the stockholders held March 19, 1947, the management nominees had been elected directors for the ensuing year, Arthur Young and Company had been elected as the company's auditors for the fiscal year ending November 30, 1947, and the Amendments to the Stock Purchase and Option Plan had been approved.

2. The minutes of the meetings held on February 1, 1947, and March 20, 1947, were approved.

3. The following persons were elected to the offices set opposite their respective names at the stated annual rates of compensation:

Irving B. Babcock, as Chairman of the Board	$40,000
Harry Woodhead, as President	70,000
I. M. Laddon, as Executive Vice President	70,000
C. T. Leigh, as Vice President	15,000
V. C. Schorlemmer, as Vice President	26,000
William A. Blees, as Vice President	40,000

March 26, 1947 - Continued

R. S. Pruitt, as Vice President and General Counsel	Compensation included in the retainer fee paid to General Counsel
W. M. Shanahan, as Secretary and Treasurer	$20,000
G. T. Bovee, as Controller	15,000
Robert A. Bussey, as Assistant Secretary and Assistant Treasurer	10,000
Edmund Burke, as Assistant Secretary	Carried on Flat Salary Payroll
Henry J. Oechler, as Assistant Secretary	Without compensation

4. The following directors were appointed as an Executive Committee of the Board of Directors:

Irving B. Babcock	William A. Blees
Harry Woodhead	Victor Emanuel
I. M. Laddon	R. S. Pruitt
V. C. Schorlemmer	

5. Pruitt, Desvernine, Hale and Coursen and Pruitt and Grealis were appointed General Counsel of the company for the fiscal year to end November 30, 1947, at an annual retainer of $110,000 plus an adjustment of $10,000 for the 3 months ended February 28, 1947. This retainer is to cover the salaries and expenses of all attorneys regularly assigned to the company but does not include certain expenditures or the fees or expenses of local attorneys at the Fort Worth or Nashville Divisions or charges for patent work, Federal tax cases, litigated matters, or the preparation of registration statements under the Securities Act of 1933. All excluded items are subject to approval by the management.

6. The officers of the company were authorized to make all required applications for sale, registration, and listing of common shares of stock of the company to be issued under the Stock Purchase and Option Plan, as amended.

7. The officers were authorized to grant to Mr. R. G. Mayer an option to purchase 1,000 shares of common stock under the Stock Purchase and Option Plan, as amended.

8. Mr. Woodhead reported on plant operations.

9. Mr. Laddon reported on the progress being made on new projects.

10. The expenditure of $324,000 on the roadable airplane project to February 28, 1947, was approved, and a further expenditure of $400,000 on this project during the remainder of 1947 was authorized.

11. The proposed contract with the ACF-Brill Motors Company for the manufacture of buses at the Nashville Division was approved.

March 26, 1947 - Continued

12. The officers of the company were authorized to transfer all work, material, and selected personnel from the Vultee Field Division to other divisions; to close the Vultee Field Division as soon as feasible; to withdraw the offer made to the Government to purchase government-owned facilities at Vultee Field; to join the War Assets Administration in the sale of facilities at Vultee Field, provided the company receives either 30% of the proceeds of the sale or $500,000, whichever is higher; and to execute any contracts of sale or other documents needed to effectuate these acts.

13. The action of the officers of the company in discontinuing the manufactured-house project was ratified and the Executive Committee was authorized to dispose of the project either for cash or on a royalty basis of $25 a house on the first 5,000 houses manufactured and $10 on each additional house.

14. Mr. Babcock reported that the present Stinson production schedule would be finished in September, 1947, and an expenditure of $60,000 to cover the cost of designing the 1948 model Stinson airplane was approved.

15. The officers of the company were authorized to place orders aggregating approximately $400,000 for certain critical raw material needed for the production of 50 Model 240 airplanes beyond the number of airplanes presently covered by firm orders.

16. The financial statements of January 31, 1947, and February 28, 1947, were received, discussed, and filed.

17. It was reported that during the month of February, 1947, the company sold an additional 10,000 shares of stock in Fleet Manufacturing and Aircraft, Limited, at a price net to the company of $3.22 a share, reducing the number of shares owned by the company to 28,000.

18. The following requests for memberships and contributions were then approved:

	Amount
a. Fort Worth Chamber of Commerce	$5,000
b. Tennessee Taxpayers Association	750
c. Harvard University Graduate School of Business Administration	5,000

The following requests for membership fees and contributions were deferred until the next meeting of the Board of Directors:

a. National Planning Association

b. Harding College

A request for a contribution to American Cancer Society was rejected.

April 24, 1947 - Board of Directors Meeting

1. The minutes of the meeting held March 26, 1947, were approved.

2. Mr. Woodhead reported on plant operations.

3. Mr. Laddon reported on new projects.

4. The proposed agreement with Mr. R. S. Fleet granting him an option to purchase the manufactured-house project was approved.

5. The General Sales Department Budget for advertising, sales promotion, and public relations and the Stinson Sales Department Budget, both for the 6 months ending November 30, 1947, were approved.

6. Resolutions were adopted authorizing the officers of the company to execute renegotiation agreements for the fiscal years 1945 and 1946.

7. A committee composed of Messrs. Babcock (Chairman), McDonnell, Rosenberg, Callery, and Deetjen, was appointed to work on a plan for financing the installment sale of Model 240 airplanes.

8. Products liability insurance on Model 240 airplanes was set at $2,000,000.

9. The financial statements of March 31, 1947, were received, discussed, and filed.

10. A dividend of 25¢ a share was declared on the common stock payable on May 15, 1947, to stockholders of record May 5, 1947.

11. The following request for a contribution was approved:

	Amount
Harding College, Searcy, Arkansas	$500

May 27, 1947 - Executive Committee Meeting

1. A reduction in the production of Stinson Voyager airplanes to 8 airplanes each day beginning July 1, 1947, was approved.

   A proposal that no change be made in the scheduled daily delivery of Franklin engines for Voyager airplanes was approved.

   The officers were authorized to place orders for the material needed to complete a total of 4,259 Stinson Voyager airplanes.

   An extension of the period for the expenditure of $341,493 apportioned to advertising in the Stinson Sales Department Budget for the fiscal year 1947, to cover the 14 month period ending January 31, 1948, was approved.

2. An expenditure of $128,000 was approved for the engineering, tooling, development, and flight tests of the 1948 Model Stinson Voyager airplane.

July 28, 1947 - Board of Directors Meeting

1. The minutes of the meetings held April 24 and May 27, 1947, were approved.

2. The appointment of Mr. W. C. Cherry as statutory agent in the State of Tennessee was terminated and Mr. W. R. Lawrence, Jr., was appointed in his place.

3. A report covering the probable loss that will be sustained in performing existing contracts for Model 240 airplanes was presented and there followed a discussion of the situation with reference to Model 240 airplanes, also, the production situation at various divisions, the estimated loss for the year, and the probable borrowings in bank loans for the next several months.

4. Mr. McDonnell suggested that consideration should be given to the sale of non-aircraft assets. No action was taken.

5. The financial statements of April 30, May 31, and June 30, 1947, were received, discussed, and filed.

6. It was the unanimous decision that no action be taken with reference to the payment of a dividend for the quarterly period ended May 31, 1947.

7. The officers of the company were authorized to purchase $2,000,000 of products liability insurance on Model 240 airplanes.

September 5, 1947 - Board of Directors Meeting

1. The minutes of the meeting held July 28, 1947, were approved.

2. Mr. Laddon reported on new projects.

3. Resolutions were adopted authorizing the General Sales Manager and the Contracts Manager to affix the corporate seal to sales contracts, and ratifying the actions of these employees in affixing the corporate seal to such contracts subsequent to March 1, 1947.

4. The proposal to set up a subsidiary corporation for financing the installment sale of Model 240 airplanes was tabled.

5. The action of Mr. Frank B. Sinclair in executing an option agreement giving Central Air Transport Corporation of Shanghai, China, a 60-day option to purchase 6 Model 240 airplanes was ratified.

6. A resolution was adopted authorizing the officers to grant the Government an extension of time to June 30, 1948, in which to execute the proposed renegotiation agreements for 1945.

7. The financial statements of July 31, 1947, were received, discussed, and filed.

8. The Chairman reported that the officers found it necessary to purchase material for 500 additional Stinson Voyager airplanes.

9. Resolutions were adopted approving the proposed sale of the non-aircraft assets of the company, authorizing the officers to proceed with the organization of The Nashville Corporation, calling a special meeting of the stockholders to be held on November 3, 1947, calling a special meeting of the Board of Directors to be held on October 3, 1947, appointing proxies representing the management, authorizing the filing of The Nashville Corporation Registration Statement, and authorizing the employment of Arthur Young & Company, Sanderson & Porter, and Georgeson & Co.

10. The following appropriations were approved:

Item	Estimated Cost
SAN DIEGO DIVISION	
1. Over-expenditures incurred in the construction of the San Diego wind tunnel	$ 58,098.37
2. Increase in the cost of machines and equipment purchased from Reconstruction Finance Corporation over the $1,150,000 approved by the Board of Directors at the meeting held July 18, 1946:	90,600.00
3. Purchase of furniture and equipment from Reconstruction Finance Corporation	39,671.51
4. Purchase of Vultee Field equipment required at the San Diego Division consisting of certain emergency plant facilities equipment and a fire truck	14,371.31
STINSON DIVISION	
5. Fire protective alterations to the plant to meet the requirements of the Factory Insurance Association	36,825.25
Total	$239,566.44

September 5, 1947 - Continued

11. A subscription of $1,500 to the Fort Worth Safety Council was approved.

12. It was announced that the next directors meeting was tentatively set for October 3, 1947.

October 3, 1947 - Board of Directors Meeting

1. The minutes of the meeting held September 5, 1947, were approved.

2. Mr. Laddon reported on new projects.

3. A committee was appointed to negotiate certain changes in the contract covering the sale of Frostmasters, and the officers of the company were authorized to execute agreements giving effect to these changes.

4. It was announced that the company sold an additional 28,000 shares of stock in Fleet Manufacturing and Aircraft, Limited, at a price net to the company of $1.34 a share in Canadian money, and that these sales disposed of all the shares of stock of Fleet Manufacturing and Aircraft, Limited, owned by the company.

5. Resolutions were adopted providing the following arrangements, appointments, and nominations in connection with the special meeting of the stockholders to be held November 3, 1947:

   3:00 p.m., Eastern Standard Time, on October 14, 1947, was fixed as the record date for determining stockholders eligible to vote at the meeting.

   Messrs. Edmund Burke and David S. Devlin were appointed judges of election.

   The notice of stockholders meeting, Proxy Statement, and proxy as prepared were approved, and were ordered printed and distributed to the stockholders.

   The following candidates for directors to take the place of resigning directors were nominated:

Floyd B. Odlum	Emmett A. McCabe
C. E. Groesbeck	Richard C. Patterson, Jr.
Ben O. Howard	William C. Rockefeller
Sydney R. Inch	George H. Shaw
Oswald L. Johnston	

   The Registration Statement and Prospectus prepared for The Nashville Corporation was approved, and the officers were authorized to mail copies of these documents to the stockholders and to all subscribers to the stock of The Nashville Corporation.

October 3, 1947 - Continued

November 6, 1947, or the effective date of The Nashville Corporation Registration Statement, was fixed as the record date for the stock subscription warrants which are to be issued.

The form of stock subscription warrants was approved.

Either or both the Schroder Trust Company of New York City and The First National Bank of Jersey City, New Jersey, were appointed as Warrant Agents, and The First National Bank of Jersey City was appointed Transfer Agent.

Subject to stockholders approval, the officers of the company were authorized to execute and deliver such deeds, assignments, and other instruments as may be necessary to consummate the tripartite agreement.

The proposed press release covering the action taken to approve the tripartite agreement was approved.

6. An announcement was made of the award of the Medal for Merit to Mr. Louis Johnson.

7. Action on the requests for contributions was postponed until the next meeting of the Board of Directors.

October 14, 1947 - Executive Committee Meeting

1. The date of the special stockholders meeting was changed from November 3, 1947, to November 6, 1947.

2. The proposed agreement between the company and the Crosley Division of the Avco Manufacturing Corporation concerning the disposition of surplus and obsolete material which had developed under the range program was approved, and the officers were authorized to execute the agreement.

November 6, 1947 - Stockholders Special Meeting

1. The Chairman requested all stockholders present to give their names to the Secretary if they had not already done so, and also stated that if any stockholder present had submitted a proxy and desired to withdraw it and vote in person he should notify the Secretary immediately.

2. The Chairman then presented the notice of the meeting.

3. The Chairman presented and read the affidavit of Kenneth W. Kehr showing that on October 17, 1947, he mailed to each stockholder of record October 14, 1947, a notice of the special meeting, a Proxy Statement, and a proxy.

November 6, 1947 - Continued

4. An alphabetical list of stockholders as of October 14, 1947, was presented.

5. Messrs. Edmund Burke and David S. Devlin qualified as judges for the purposes of the meeting.

6. The Secretary and the judges then presented a report covering the number of shares represented by the stockholders in person, and the number of shares represented by proxy. Thereupon, the Chairman declared that a quorum existed.

7. The Chairman next stated briefly the purposes of this special meeting.

8. A resolution was adopted approving the Agreement of Sale dated October 3, 1947, between The Nashville Corporation, Consolidated Vultee Aircraft Corporation, and Avco Manufacturing Corporation, authorizing the officers to take all action necessary to carry out the terms of the agreement, including the sale of the Nashville Division, and offering for subscription and sale 820,834 shares of The Nashville Corporation common stock, all as set forth in the agreement.

9. A resolution was adopted adjourning the meeting until 11:30 a.m., Pacific Standard Time, November 20, 1947, at which time the special meeting would reconvene to elect 9 directors to fill vacancies in the Board.

November 20, 1947 - 9:30 a.m. - Board of Directors Meeting

1. It was announced that at the special meeting of stockholders held on November 6, 1947, the stockholders had approved the Agreement of Sale dated October 3, 1947, between Consolidated Vultee Aircraft Corporation, The Nashville Corporation, and Avco Manufacturing Corporation.

2. The minutes of the meetings held October 3 and October 14, 1947, were approved.

3. It was announced that Mr. Odlum had invited the retiring members of the Board of Directors to attend the meeting of the new Board which was to be held later in the day.

4. It was announced that Mr. John Hertz had been awarded the Medal for Merit.

5. It was announced that a supplemental agreement to the Frostmaster contract dated December 13, 1946, between the company and the Crosley Division of Avco Manufacturing Corporation had been executed.

6. The action taken by the officers to cancel the company's right to do business in Tennessee was ratified.

November 20, 1947 - 9:30 a.m. - Continued

7. The financial statements of August 31 and September 30, 1947, were received, discussed, accepted, and ordered filed.

8. The press release covering the loss for the 9 months ended August 31, 1947, and a proposed letter to be sent to stockholders were approved.

9. Mr. Woodhead reported on the operating conditions at the San Diego, Fort Worth, and Stinson Divisions.

10. A report on the current labor situation at the various divisions was received.

11. Mr. Laddon reported on new projects. He also reported on the crash of the roadable airplane that happened on November 18, 1947.

12. An increase of $100,000 in the amount appropriated for the roadable airplane project to carry the project through November 30, 1947, was approved.

13. The officers were authorized to amend the company's retirement plan to include an optional cash refund annuity.

14. The officers of the company were authorized to execute all necessary documents and take such other action as may be necessary to "firm up" contracts for the sale of Model 240 airliners.

November 20, 1947 - Stockholders Adjourned Special Meeting

1. The Chairman requested the stockholders present to give their names to the Secretary if they had not already done so, and also stated that if any stockholder present had submitted a proxy and desired to withdraw it and vote in person he should notify the Secretary immediately. The Chairman also stated that the judges of election heretofore appointed had executed the customary oath, and that the document was filed with the minutes of the special meeting of the stockholders held November 6, 1947.

2. The Secretary and the judges presented a report covering the number of shares represented by stockholders in person, and the number of shares represented by proxy. Thereupon, the Chairman declared that a quorum existed.

3. The resignations of the following directors were accepted, effective as of this date:

George E. Allen	Rudolph H. Deetjen
Irving B. Babcock	Victor Emanuel
Neal Dow Becker	J. Mason Houghland
Francis A. Callery	R. S. Pruitt
C. Coburn Darling	

November 20, 1947 - Continued

4. The judges reported that the following were elected directors of the company:

Floyd B. Odlum	Emmett A. McCabe
C. E. Groesbeck	Richard C. Patterson, Jr.
Ben O. Howard	William C. Rockefeller
Sydney R. Inch	George H. Shaw
Oswald L. Johnson	

5. The Chairman announced the election of Messrs. Odlum, Groesbeck, Howard, Inch, Johnston, McCabe, Patterson, Rockefeller, and Shaw as directors of the company.

November 20, 1947 - 12:00 noon - Board of Directors Meeting

1. It was announced that at the adjourned special meeting of the stockholders held at 11:30 a.m. the resignations of Messrs. Allen, Babcock, Becker, Callery, Darling, Deetjen, Emanuel, Houghland, and Pruitt as directors were received and accepted, and Messrs. Odlum, Groesbeck, Howard, Inch, Johnston, McCabe, Patterson, Rockefeller, and Shaw were elected as directors to fill the vacancies.

2. It was announced that the resignation of Mr. Irving B. Babcock as director automatically created a vacancy in the office of Chairman of the Board. Thereupon, Mr. Floyd B. Odlum was elected Chairman of the Board.

3. Messrs. Odlum, Howard, and Inch were appointed members of the Executive Committee.

4. Mr. Ben O. Howard was appointed Executive Assistant to the Chairman of the Board at the annual rate of $36,000, commencing December 1, 1947, plus $18,000 for services rendered prior to December 1, 1947. Mr. Emmett A. McCabe was appointed Assistant to the Chairman of the Board at the annual rate of $17,000, commencing November 20, 1947, plus $2,833.33 for services rendered from September 20, 1947 to November 19, 1947.

5. A Committee on Organization and Compensation, composed of Messrs. Woodhead (Chairman), Howard, and Groesbeck, was appointed.

6. A Committee on Cost Controls and Budgets, composed of Messrs. Laddon (Chairman), Inch, and Rockefeller, was appointed.

7. A committee was appointed to explore the possibility of selling the Stinson Division.

8. Marsh & McLennan was appointed the company's insurance broker.

9. It was announced that rights covering the purchase of 928 shares of stock of The Nashville Corporation had been exercised as of November 19, 1947.

November 20, 1947 - 12:00 noon - Continued

10. Resolutions were adopted authorizing a Christmas payment of $5.70 ($5.00 plus withholding tax of $.70) to each employee on the payroll on November 29, 1947, and stating that this action was not to be construed as committing the company to continue this payment in future years.

11. Mr. Woodhead reported on the operating conditions at the San Diego, Fort Worth, and Stinson Divisions.

12. A report on the current labor situation was received.

13. Mr. Laddon reported on new projects.

14. Mr. Howard reported on the Model 240 certification tests.

15. Mr. Laddon reported on the crash of the roadable airplane that happened on November 18, 1947.

16. A research budget of $66,450 and a preliminary design budget of $286,000 for 1948 were approved, subject to a review of these budgets by the Board in 3 months, and a review with the Board of all specific preliminary design projects before extensive commitments are made.

17. The officers were authorized to release purchase orders aggregating approximately $900,000 in value for material needed for the manufacture of additional Voyager airplanes.

18. The proposed sale of certain jigs, dies, tools, and special manufacturing aids was left to the discretion of the officers with authority to act.

19. The financial statements of October 31, 1947, were received, discussed, and filed.

20. A letter to be addressed to all employees of the company was read by the Chairman.

21. The members of the old Board welcomed the new directors and pledged their complete cooperation with the new directors and the Chairman.

January 12, 1948 - Board of Directors Meeting

1. The minutes of the meeting held at 9:30 a.m., and at 12 noon on November 20, 1947, were approved.

2. The resignation of Mr. Charles T. Leigh as Vice President on November ~~20~~, 30 1947, was announced. Resolutions were adopted accepting his resignation and expressing appreciation for his services to the company.

3. The authority granted to Mr. C. T. Leigh on January 30, 1945, to execute certificates required by Reconstruction Finance Corporation was revoked.

4. Mr. Laddon reported on the backlog of orders and the progress being made on new projects.

5. Mr. Blees reported on the personal airplane market and on the Stinson Sales program. The officers were authorized to issue purchase orders for the material required to manufacture 500 additional Voyager airplanes.

6. Mr. Laddon reported on the present status of the roadable airplane project.

7. The officers were authorized to sell surplus equipment.

8. Mr. Woodhead stated that the report of the Committee on Organization and Compensation was not complete but it was expected that the report would be ready for presentation at the next meeting of the Board.

9. The Chairman and Mr. Shanahan reported on the recent discussions they had with banks regarding the company's cash forecast for the year ending November 30, 1948.

10. Mr. Laddon presented Factory Labor Performance Charts on the Model L-13 and Model 240 projects. The Chairman announced that Mr. Frank H. Harrison had been employed on a consulting basis to assist Mr. Learman at the San Diego Division.

11. Mr. Frank A. Learman was elected a Vice President.

12. Mr. Rockefeller reported that the committee which had been appointed to explore the possibility of selling the Stinson Division had approved the proposed sale in principle, provided a suitable price is obtained.

13. The officers were instructed to withdraw all Model 240 price quotations.

14. The Chairman was authorized to employ a special counsel to review the liability of officers and directors.

15. The proposed renegotiation agreement for the fiscal year ended November 30, 1945, was approved and the officers were authorized to execute the agreement.

16. The action of the officers in revoking the authority of The First National Bank of Jersey City to act as Transfer Agent of the company, effective December 31, 1947, was ratified.

17. The proposal to relinquish the company's right as lessee to 117,796 square feet of tidelands at the north end of the company's Seaplane Base on San Diego Bay so that the City could lease this land to the Institute of Aeronautical Sciences was approved and the officers were authorized to execute the relinquishment agreement.

18. The officers of the company were authorized to sell 70 shares of common stock and place the proceeds thereof, together with the small additional amount of cash required, in a fund for the redemption of the fractional scrip certificates outstanding at the close of business on December 30, 1947.

19. The Stinson Sales and Service Budget of $562,580 and the Sales Department Budget of $438,734, exclusive of advertising for the first 6 months of the fiscal year 1948, were approved.

20. Mr. Howard reported that a Certificate of Airworthiness, restricted as to pressurization and heat anti-icing, had been issued on the Model 240 airplane.

21. The officers were authorized to sell company-owned airplanes No. 610 and No. 927.

22. The President or a Vice President was authorized to negotiate and enter into a one-year lease agreement with Jacqueline Cochran Odlum, effective as of January 1, 1948, providing for the part-time use on company business of the Lockheed Lodestar airplane (NC-13V) by officers and employees of the company.

23. The preliminary financial statements of November 30, 1947, were received, discussed, and filed.

24. The following requests for subscriptions and contributions were approved:

a. Community Chest:		
General Office and San Diego	$11,000	
Fort Worth	11,500	
Stinson	750	$23,250
b. Institute of Aeronautical Sciences, Membership dues for 1948		1,000
c. Chamber of Commerce of the United States, Membership dues for 1948		500
d. California Taxpayers Association		350

January 12, 1948 - Continued

25. February 17, 1948, was fixed as the date of record for determining the holders of common stock of the company entitled to receive notice of and to vote at the annual meeting of the stockholders to be held on March 17, 1948.

26. The Chairman announced that the next meeting of the Board of Directors would be held on February 9, 1948.

January 21, 1948 - Executive Committee Meeting

1. The resignations of Mr. R. S. Pruitt as Vice President and Mr. H. J. Oechler as Assistant Secretary were received and accepted.

2. Mr. Robert B. Watts was elected Vice President and Counsel, effective January 1, 1948. His compensation was fixed at $36,000 per annum and his services preceding January 1, 1948, were accepted for pension plan requirements.

3. Mr. R. S. Pruitt was elected an Assistant Secretary, effective January 1, 1948, and his compensation was fixed at $6,000 per annum.

4. Pruitt, Desvernine and Coursen and Pruitt and Grealis were appointed General Counsel. The General Counsel's fee for December, 1947, was fixed at $9,166.67 and the annual retainer, beginning January 1, 1948, was fixed at $44,000.

February 10, 1948 - Board of Directors Meeting

1. Resolutions were adopted merging Frontier Enterprises, Inc., into Consolidated Vultee Aircraft Corporation.

2. The action taken January 12, 1948, setting March 17, 1948, as the date of the annual stockholders meeting and February 17, 1948, as the date of record for determining the holders of common stock entitled to vote at this annual meeting was rescinded.

February 27, 1948 - Executive Committee Meeting

1. A San Diego Division appropriation of $6,477.98 was approved.

March 9, 1948 - Board of Directors Meeting

1. The minutes of the meetings held January 12, January 21, February 10, and February 27, 1948, were approved.

2. Mr. Laddon reported on the operating conditions at the San Diego, Fort Worth, and Stinson Divisions.

March 9, 1948 - Continued

3. Messrs. F. A. Learman and F. H. Harrison reported on the progress being made in the production of Model 240 airplanes in San Diego.

4. Mr. Laddon reported that the medium-bomber designs had been completed and sent to the Government.

5. Mr. Laddon reported on the roadable airplane project.

6. The Research Budget and the Preliminary Design Budget for the fiscal year 1948, were referred to the Committee on Cost Controls and Budgets.

7. Mr. Watts reported on the labor situation at the San Diego and Stinson Divisions.

8. Mr. Blees reported on the Voyager airplane inventory and the prospects of the sale of the Stinson Division.

9. The action of the officers in executing the Amendatory Agreement dated November 29, 1947, with American Airlines, Inc., was ratified.

10. The officers were authorized to sell surplus real estate and a committee was appointed to act on proposals in case quick approval is needed.

11. Mr. Howard announced that the company had received an Approved Type Certificate of Airworthiness from the Civil Aeronautics Administration for the American Airlines version of the Model 240 airliner.

12. Consideration of a base price for Model 240 airplanes was postponed until the next meeting of the Board.

13. The consideration of the proposed amendments to the By-laws of the company was postponed until the next meeting of the Board.

March 25, 1948 - Executive Committee Meeting

1. Resolutions were adopted covering the contract signing authority of officers and employees.

2. The bank resolutions were amended to provide that on all disbursement checks on which two signatures are required, one signatory must be the holder of one of several specified offices or positions and the other signatory must be the holder of one of several other specified offices of positions.

April 9, 1948 - Board of Directors Meeting

1. The minutes of the meetings held March 9, 1948, and March 25, 1948, were approved.

2. The certified financial statements for the fiscal year ended November 30, 1947, were approved.

3. A proposed Credit Agreement to take the place of the existing Credit Agreement was approved.

April 9, 1948 - Continued

4. The proposed Registration Statement covering an offering of 1,159,849 shares of common stock of the company for sale to stockholders of the company was approved.

5. Mr. Laddon reported on the operations at each division and on a long-range run of a Model B-36 airplane.

6. Mr. Laddon reported on the labor situations at the divisions.

7. Mr. Blees reported on the prospective sale of Model 240 airplanes to Eastern Air Lines, Inc.

8. Mr. Blees reported on the Stinson situation.

9. Mr. Rockefeller reported that an offer to purchase the Stinson Division had been received from Atlas Aircraft Company.

10. Mr. Odlum stated that he had employed Ebasco Services, Incorporated, to review our operations and procedures. This action was ratified.

April 22, 1948 - Executive Committee Meeting

1. The officers of the company were authorized to enter into a loan agreement to provide for temporary loans to the company in aggregate principal amount not exceeding $3,500,000.

May 6, 1948 - Executive Committee Meeting

1. The execution of the Credit Agreement dated April 30, 1948, was ratified and approved.

2. The Letter Agreement dated May 4, 1948, between Atlas Corporation and the company with reference to the exercise of firm and contingent subscription rights was approved and the officers of the company were authorized to execute the letter.

3. The officers of the company were authorized to temporarily borrow from Atlas Corporation not exceeding $3,500,000 in the aggregate amount at any one time outstanding.

May 21, 1948 - Board of Directors Meeting.

1. The minutes of the meetings held April 9, 1948, April 22, 1948, and May 6, 1948, were approved.

2. A report was received on the financing program and on the S-1 Registration Statement.

3. The record date for the issuance of subscription warrants was set at 4 days succeeding the effective date of the Registration Statement, and the subscription price was set at $9 a share.

4. The Bylaws were amended.

May 21, 1948 - Continued

5. The resignation of Mr. Woodhead as President was accepted.

6. Mr. Woodhead was elected Vice Chairman of the Board.

7. Mr. Odlum was elected President for the interim period between May 21 and June 4, 1948.

8. The resignation of Mr. V. C. Schorlemmer as Vice President was accepted.

9. Mr. L. W. Miller was elected Vice President and his salary was fixed.

10. A committee composed of Messrs. Hertz (Chairman), Groesbeck, and McDonnell was appointed to consider and make recommendations concerning salary adjustments of officers, the allocation of presently unallocated stock options, and any adjustments of the option price under stock options which may be appropriate by reason of the offering of additional shares of stock.

11. The financial statements as of February 29, March 31, and April 30, 1948, were received, discussed, and filed.

12. A report on the 1948 Research and Preliminary Design Budget was received.

13. The proposed General Sales Department and Stinson Sales Budgets for the 6 months ending November 30, 1948, were approved.

14. Mr. Blees reported on the Stinson situation.

15. Mr. Blees reported on the prospects for additional sales of commercial airplanes.

16. Messrs. Howard and Learman reported on the progress being made in the production and delivery of Model 240 airplanes.

17. Mr. Laddon reported on the recent sales of surplus real estate and equipment.

18. Mr. Laddon reported that North American Aviation, Inc., had made an offer to purchase the company's facilities at Downey, California. The officers of the company were authorized to take action.

19. Mr. Laddon reported on the operating conditions at the divisions, and on the possible developments in the Government airplane procurement program.

20. Mr. Watts reported on the labor situation at each division and stated that Mr. F. A. Lauerman had resigned.

21. The action of the officers of the company in extending to December 31, 1948, the time within which the Government may execute the Renegotiation Agreement for the fiscal year 1945 was approved.

22. The following actions were taken incident to the postponed annual stockholders meeting:

    a. The date of the meeting was set at July 9, 1948

b. The date of record for determining stockholders entitled to receive notice of and to vote at the meeting was set at June 16, 1948.

c. Messrs. Edmund Burke and David S. Devlin were appointed Judges of Election.

d. Arthur Young & Company were nominated as auditors of the company for the fiscal year ending November 30, 1948.

e. Messrs. Odlum, Woodhead, Laddon, McDonnell, and Rosenberg were appointed as a Proxy Committee.

f. The employment of Georgeson & Co., to assist in the solicitation of proxies was authorized.

24. The following appropriations covering new facilities were approved:

San Diego Division		Estimated Amount To Be Capitalized
Consolidation of Photo Laboratory and template reproduction into Building No. 5		
Estimated Total Cost	$10,782	
Less estimated rearrangement expense	4,735	$6,047
Purchase of 100 electric drill motors and 50 air motors		7,500
Total		$13,547

At this point, the meeting was adjourned to reconvene on June 1, 1948.

25. Letter agreements with Messrs. Miller, Howard, McCabe, and Harrison were approved.

26. The continuation of Mr. Woodhead's present salary was authorized.

27. Messrs. Odlum, Blees, Cohu, Groesbeck, Hertz, Howard, Inch, Johnson, Johnston, Laddon, McCabe, McDonnell, Patterson, Rockefeller, Rosenberg, Shaw, and Woodhead were nominated as candidates for election as directors at the postponed annual meeting of stockholders.

28. The notice of meeting, the proxy statement, and the proxy to be used in connection with the postponed annual meeting of stockholders were approved.

May 21, 1948 - Continued

At this point, the meeting was adjourned to reconveneon June 4, 1948.

29. The resignation of Mr. Schorlemmer as a Director and a Member of the Executive Committee was accepted.

30. Mr. LaMotte T. Cohu was elected a Director and a Member of the Executive Committee.

31. The resignation of Mr. Odlum as President was accepted.

32. Mr. Cohu was elected President and his annual salary was fixed.

33. Mr. Cohu was appointed General Manager.

34. Mr. Woodhead withdrew as a member of the Proxy Committee and Mr. Cohu was appointed a member of the Proxy Committee in place of Mr. Woodhead.

May 27, 1948 - Executive Committee Meeting

1. The officers of the company were authorized to execute a Lease Agreement with North American Aviation, Inc., covering the company's Vultee Field plant.

June 21, 1948 - Executive Committee Meeting

1. The officers were authorized to execute an agreement with McDonnell Aircraft Corporation which would provide for the assignment of one-half of the company's interest in the Southern California Co-operative Wind Tunnel.

2. The Transfer Agent and Registrar of the common stock of the company were authorized to use those prepared certificates which bear the facsimile signature of Mr. H. Woodhead as President.

3. The action of Mr. Cohu in granting an extension of time for a period of 60 days from June 30, 1948, to Southern California Homes, Inc., in which to meet agreement requirements was ratified.

July 9, 1948 - Stockholders Meeting

1. The Chairman requested all stockholders present to give their names to the Secretary if they had not already done so and if any stockholders wished to withdraw a proxy that had been submitted he should notify the Secretary immediately.

2. The notice of the meeting was presented and ordered filed.

3. The affidavid of Kenneth W. Kehr was presented showing that on June 17, 1948, he mailed to each stockholder of record June 16, 1948, a notice of the annual meeting, a proxy, a proxy statement, and a return envelope.

4. An alphabetical list of stockholders as of June 16, 1948, was presented.

5. Messrs. Edmund Burke and David S. Devlin qualified as judges for the purposes of the meeting.

July 9, 1948 - Continued

6. and 7. The Secretary and the Judges reported that 1,578,238 shares of stock were represented by stockholders present in person or represented by proxy. Thereupon the Chairman declared that a quorum existed.

8. Minutes of the stockholders meetings held on March 19, 1947, November 6, 1947, and November 20, 1947, were presented and approved.

9. The Chairman announced that the minutes of the meetings of both the Board of Directors and the Executive Committee which had been held since the date of the previous annual meeting of stockholders were available at the meeting in the event any stockholders cared to examine those minutes.

10. The Chairman announced that the recent stock offering was heavily oversubscribed.

11. The Chairman introduced to the stockholders those officers and directors who were present and the Chairman and the President talked on points of interest to the stockholders.

12. The following were elected directors of the company:

William A. Blees	I. M. Laddon
La Motte T. Cohu	Emmett A. McCabe
C. E. Groesbeck	Donald N. McDonnell
John D. Hertz	Floyd B. Odlum
Ben O. Howard	Richard C. Patterson, Jr.
Sydney R. Inch	William C. Rockefeller
Louis A. Johnson	Joseph H. Rosenberg
Oswald L. Johnston	George H. Shaw

Harry Woodhead

13. Arthur Young & Company were elected independent auditors for the fiscal year ending November 30, 1948.

July 9, 1948 - Board of Directors Meeting

1. The election by the stockholders of Messrs. William A. Blees, La Motte T. Cohu, C. E. Groesbeck, John D. Hertz, Ben O. Howard, Sydney R. Inch, Louis A. Johnson, Oswald L. Johnston, I. M. Laddon, Emmett A. McCabe, Donald N. McDonnell, Floyd B. Odlum, Richard C. Patterson, Jr., William C. Rockefeller, Joseph H. Rosenberg, George H. Shaw, and Harry Woodhead as Directors for the ensuing year was announced.

2. The election by the stockholders of Arthur Young & Company as auditors for the fiscal year ending November 30, 1948, was announced.

3. The minutes of the meetings held May 21, 1948, and May 27, 1948, and June 21, 1948, were approved.

4. The resignation of Mr. I. M. Laddon as a Vice President of the company effective July 9, 1948, was announced.

5. The resignation of Mr. H. Woodhead as a Director effective at the close of this meeting was accepted. Agreement for his services as a consultant for a period of one year was authorized.

6. The following officers were elected at the stated rates of compensation:

F. B. Odlum, Chairman of the Board	Deferred
La Motte T. Cohu, President	$65,000
William A. Blees, Vice President	40,000
Robert B. Watts, Vice President and Counsel	36,000
L. W. Miller, Vice President	20,000
R. H. Biron, Jr., Vice President	25,000
W. M. Shanahan, Secretary and Treasurer	20,000
G. T. Bovee, Controller	15,000
R. A. Bussey, Assistant Secretary and Assistant Treasurer	10,000
R. S. Pruitt, Assistant Secretary	6,000
Edmund Burke, Assistant Secretary	On flat salary payroll

Mr. La Motte T. Cohu was appointed General Manager.

7. Messrs. Odlum, Cohu, Groesbeck, Inch and Rockefeller were appointed as members of the Executive Committee of the Board of Directors.

8. The appointment of Mr. William C. Rockefeller as Assistant to the Chairman of the Board, effective as of June 16, 1948, was announced.

9. Mr. Cohu reported on the operating conditions at the divisions and on the general progress being made by the company.

10. The Chairman commented on the possibility of additional work on a subcontract basis.

11. Mr. Howard reported on the progress being made in the revision and the testing of the anti-icing system on the Model 240 airplane.

12. Mr. Blees reported on the Stinson situation.

13. Mr. Blees reported on the prospective sale of Model 240 airplanes.

14. A price for the Model 240 airplane was discussed but no action was taken.

15. Mr. Rockefeller presented some charts that had been exhibited at a meeting with Secretary of the Air Force Symington.

16. Mr. Harrison reported on the production of Model 240 airplanes.

17. The financial statements at May 31, 1948, and the pro forma balance sheet at May 31, 1948, giving effect to the recent sale of shares of stock and the reduction in notes payable, were received, discussed and filed.

18. Mr. Miller reported that the borrowing limit at May 31, 1948, was well within the limitations of the Credit Agreement. He also discussed the cash forecast and reviewed the company's investment in inventories.

July 9, 1948 - Continued

19. The Chairman outlined a plan for financing the sale or lease of Model 240 airplanes to airlines.

20. The Chairman presented for review a preliminary draft of a proposed mid-year letter to stockholders, which was approved.

21. Mr. Robert H. Biron, Jr., Vice President, was introduced to the Directors, and he reported on the labor situation at the divisions.

22. The proposal of McDonnell Aircraft Corporation of St. Louis, Missouri, to purchase from the company 1/2 of its 1/3 undivided interest in the Co-operative Wind Tunnel at Pasadena for $300,000 payable in eight annual installments of $37,500, without interest, and also to purchase from the company an undivided 1/6 interest in the operating fund of the Wind Tunnel Laboratory at its book value as of July 31, 1948 was approved.

23. A report was received on the lease of the Vultee Field Plant to North American Aviation, Inc. The execution of this lease was authorized at a meeting of the Executive Committee held on May 27, 1948.

24. The valuable service rendered by Mr. David Baird in connection with the Credit Agreement of April 30, 1948 was discussed, and the payment to Mr. Baird of $10,000 for this service was authorized.

25. Mr. Lee E. Cook of Ebasco Services, Incorporated, reported on the work which his firm is doing in correcting defective procedures of the company.

26. It was announced that the next Directors' meeting will be held about August 20, 1948, upon the call of the Chairman of the Board.

August 5, 1948 - Executive Committee Meeting

1. The proposed agreement with Mr. Roland G. Mayer providing for his services as a consultant on an independent contractor basis for a period beginning August 16, 1948, and ending August 15, 1949, for an annual fee of $10,500 was approved.

August 20, 1948 - Board of Directors Meeting

1. The minutes of the meetings held July 9, 1948, and August 5, 1948, were approved.

2. Mr. Cohu reported on the operating conditions at the divisions, on the possibility of obtaining additional military orders, and on the general progress being made by the company.

3. Mr. Cohu reported that a tentative agreement had been reached with Northrop Aircraft, Inc., for the production of Model B-49 airplanes.

4. Mr. Blees reported on the Stinson situation.

5. It was requested that a report be prepared showing the cost of manufacturing Stinson spare parts at the San Diego Division.

6. Mr. Blees reported on the prospects for additional sales of commercial and military airplanes.

7. Mr. Watts reported that the United States District Court at Louisville, Kentucky, had filed an opinion holding for the company against 51 former foremen and assistant foremen of the company's Louisville Division who were seeking to recover overtime pay from July 5, 1943 to August 31, 1945, under the Fair Labor Standards Act.

8. A reduction in the number of shares of stock reserved for option under the Stock Option Plan from 88,750 to 80,302 was authorized.

9. The Transfer Agent and the Registrar were authorized to reduce the number of shares reserved for option to 80,302.

10. The authority of Frank A. Learman, R. R. Rogers, and R. A. McMakin to designate employees to receipt for government-owned and government-leased property was revoked.

11. The action of Mr. Cohu in executing Approval No. 25 of the Southern California Cooperative Wind Tunnel Laboratory, dated July 13, 1948, was ratified.

12. The Chairman of the Board, the President, or any Vice President was authorized to execute agreements connected with the Southern California Cooperative Wind Tunnel.

13. The Board was informed that through an oversight on the part of the Fort Worth Division and the Fort Worth banks the resolution of the Executive Committee, effective May 1, 1948, requiring one signature on all two-signature checks of the Division to be either the Chairman of the Board, the President, any Vice President, the Treasurer, the Assistant Treasurer, the Division Manager, or the Assistant Division Manager, was not put into operation until August 5, 1948.

14. Annual salary increases effective August 16, 1948, were approved for L. W. Miller, F. W. Fink, R. C. Sebold, and R. O. Ryan.

15. A resolution was adopted changing the company's Retirement Plan so that employees who have completed one year of continuous service and have attained age 25 will be eligible for membership in the plan.

16. The membership of the committee whose function is to pass upon questions which arise from time to time under the company's Retirement Plan was changed to include Messrs. Miller, Biron, and Shanahan.

17. Stanley H. Fulton, Detroit, Michigan, was appointed resident agent of the company in Michigan, succeeding M. A. McLaughlin, Jr.

18. A report was received on the labor situation at each division, and the approval of pending labor agreements was referred to the Executive Committee for action.

19. The tentative plan of operation of the Convair Equipment Corporation was discussed.

20. Mr. Lee E. Cook of Ebasco Services, Incorporated, reported on the changes effected in material control and timekeeping procedures. He also commented on the physical inventory of the Convair-Liner work in process taken as of May 31, 1948.

IV

August 20, 1948 - continued

21. Mr. Howard reported on the status of the CAA licenses for Convair-Liners.

22. The financial statements of June 30 and July 31, 1948, were received, discussed, and filed.

23. The proposal to hold weekly meetings of the Executive Committee whenever practicable was approved.

24. A resolution was adopted authorizing the General Counsel to request the independent counsel appointed pursuant to the resolution adopted on January 12, 1948, to advise concerning the loss on the Convair-Liner project and the references thereto contained in the corporation's proxy statement dated November 16, 1947, so that the same may be considered by the directors at the next board meeting.

25. The Chairman reported to the Board that he entered into an understanding with Mr. Howard Hughes that following the election of Messrs. Cohu and Biron as officers of the company there would be no employment by Convair of personnel away from TWA, and that Mr. Hughes claims that such agreement has been breached by Convair. The Chairman further stated that while Mr. Cohu has stated his intention not to hire TWA employees, and this quite apart from the understanding above referred to, it seemed advisable to make a formal declaration which could be shown to Mr. Hughes. It was thereupon voted to be the determination of the directors that the understanding which Mr. Odlum reported as entered into with Mr. Howard Hughes be strictly adhered to both in letter and spirit.

26. Mr. Frank H. Harrison reported on the progress being made in the production of Convair-Liners.

27. The proposal to make forward purchases of approximately $3,000,000 of critical materials for Convair-Liners was referred to the Executive Committee.

28. It was announced that it was the present intention to hold the next Directors' meeting at 11:00 a.m., on September 25, 1948, at 435 East 52nd Street, New York City.

September 7, 1948 - Executive Committee Meeting

1. The proposed agreement with the Union providing for 6 paid holidays a year and a general increase of 9¢ an hour over current wage rates, retroactive to August 16, 1948, and extending over a 2-year period, except for the reconsideration of wage rates at the end of 1 year, was approved subject to acceptance by the membership of the Union.

2. A proposed expenditure of approximately $7,000 for the purchase of multi-lithograph equipment was approved.

3. A proposed expenditure of $6,000 for improvements in Building 5 in an area to be occupied by the San Diego Division Accounting Department was approved.

4. Mr. Miller reported that the company had obtained an extension of time under a provision of the Credit Agreement allowing the company to continue the production work on 20 Model 240 airplanes being produced for stock and permitting the forward purchase of certain critical material for more than 40 unsold airplanes.

September 7, 1948 - continued

5. The forward purchase of materials in an amount not exceeding $1,000,000 for the second 20 Model 240 airplanes to be produced for stock was approved.

6. The execution of certificates which are requested by certain foreign customers covering payments made to the company from funds supplied by the Economic Cooperation Administration of the United States was authorized in instances approved by the President and General Counsel of the company.

September 15, 1948 - Executive Committee Meeting

1. An expenditure of $5,905 was approved for the consolidation of office space for the Flight Department of the San Diego Division.

2. The officers of the company were authorized to dispose of the physical property remaining after the abandonment of the roadable airplane project at its salvage value.

3. Mr. Watts reported that the AFL had been certified as the bargaining agent for the hourly employees of the San Diego Division.

4. Mr. Rockefeller reported that an application for a loan had been filed with the Reconstruction Finance Corporation by the Convair Equipment Corporation.

September 24, 1948 - Board of Directors Meeting

1. Resolutions were adopted expressing the sorrow and the sympathy of the directors over the death of Mr. C. E. Groesbeck.

2. The minutes of the meetings held August 20, 1948, September 7, 1948, and September 15, 1948, were approved.

3. Mr. Oswald L. Johnston was appointed a member of the Executive Committee to take the place of Mr. C. E. Groesbeck, deceased.

4. Mr. Cohu reported on the operating conditions at the divisions and on the general progress being made by the company.

5. Mr. Blees reported that the leasing plan for the Convair-Liners had been presented to several airlines. He also reported on the Stinson situation.

6. The action of Mr. W. A. Blees, Vice President, in executing agreements dated August 26, 1948, with Pan American Airways, Inc., was ratified.

7. An increase effective August 16, 1948, in the annual salary of Mr. R. O. Ryan, Fort Worth Division Manager, was approved.

8. A report from Mr. Bethuel Webster of Webster, Sheffield and Horan, regarding the loss on the Convair-Liner Project and references thereto in the company's proxy statement dated October 16, 1947, was received.

9. Mr. Pruitt informed the Board that a suit had been filed by a minority stockholder attacking the sale of the company's former facilities at Nashville, Tennessee, and contracts theretofore entered into relating to those facilities, on the grounds that the consideration received was inadequate. Mr. O. L. Johnston commented upon this suit and informed the Board none of the directors of the company is named as a defendant.

10. Mr. Rockefeller reported on the status of the Convair Equipment Corporation.

September 24, 1948 - continued

11. The proposed press release dated September 24, 1948, covering the Convair Equipment Corporation was presented to the Board

12. An additional appropriation of $26,756 for preliminary design work was approved.

13. A proposed advertising budget of $50,000 was discussed. The approval of this proposed budget was postponed until the next meeting of the directors. In the meantime, the Executive Committee was authorized to approve any necessary advertising disbursements.

14. Messrs. Johnston and Hertz were appointed as a committee to recommend an expense allowance for Mr. Odlum.

15. The mid-year report in final form was presented to the Board.

16. Mr. Lee E. Cook outlined the work performed to date by Ebasco Services, Incorporated.

17. The Chairman reported that the United States Department of Justice had recommended that the claim of the Government alleging an overpayment in the settlement of a terminated contract at the Allentown Division be dropped.

18. The financial statements of August 31, 1948, were received, discussed, and filed.

19. It was announced that the next directors meeting would probably be held in San Diego between November 5 and 12, 1948, the exact date to be set later by Mr. Odlum.

October 13, 1948 - Executive Committee Meeting

1. Mr. Cohu informed the Executive Committee that unless the company receives a firm contract before November 1, 1948, for the 20 Convair-Liners now being manufactured for stock, the company will be required to suspend work on these airplanes in order to comply with Section 7.10 of the Credit Agreement dated April 30, 1948. Mr. Cohu stated that if work was to be completely suspended by November 1, 1948, a program of curtailment should be started now. He further stated that, in view of the prospects for additional orders for Convair-Liners and the resultant economies which would be effected by continuing production on these airplanes, he felt that no program of curtailment should be started at this time and that work on these airplanes should be continued. The proposal to continue the work on the 20 Convair-Liners was concurred in by all the other members of the committee who were present.

2. Mr. Cohu reported that he felt that it was essential for the company to complete some of the 20 Convair-Liners now being manufactured for stock with provision for a radio operator's station. The matter was discussed but no action was taken.

November 10, 1948 - Executive Committee Meeting

1. The resolutions controlling signing authority were amended to eliminate the titles Contracts Manager and Military Sales Manager and substitute therefor the title Director of Contracts and Service, and to grant signing authority

November 10, 1948 - continued

to any spares supervisor with respect to sales of spare parts limited to $5,000 of contract value in any one case.

2. The resolution granting signing authority to Mr. V. C. Havens was rescinded and Mr. E. A. McCabe, Director of Public Relations, was granted limited signing authority in connection with contracts for Advertising, Sales Promotion, and Public Relations.

3. An appropriation of $14,389 for capital expenditure at San Diego Division was approved.

November 15, 1948 - Board of Directors Meeting

1. The minutes of the meetings held September 24, 1948, and October 13 and November 10, 1948, were approved.

2. The Chairman reviewed the current operating status.

3. The Chairman and Mr. Blees reviewed the progress on the Convair Equipment Corporation formation.

4. The Chairman reviewed sales prospects on military aircraft.

5. The desirability of a change in the accounting basis from the present to average costs was discussed. The matter was referred to the company's officers and tax counsel for further study and report.

6. The Chairman reviewed the financial statements as of October 31, 1948. The statements were discussed generally.

7. Mr. Blees reported on the proposed sale of the remaining Stinson airplanes and parts on hand, and the Stinson tools, trade name, trade marks, licenses, and business to Piper Aircraft Corporation. The officers of the company were authorized to sell the Stinson business to Piper Aircraft Corporation in general accordance with the proposed principles.

8. Mr. Howard reported on the licensing of the Model 240 airplane and on the work being done to correct warranty items on this airplane.

9. It was stated that the time and place of the next meeting of the Board of Directors would be set by the Chairman.

December 16, 1948 - Board of Directors Meeting

1. The minutes of the meeting held on November 15, 1948, were approved.

2. The resignation of Mr. William A. Blees as Vice President, effective November 30, 1948, was accepted.

3. The execution of an employment agreement with Mr. Frank H. Harrison as a consultant during the year 1949 was ratified.

4. The proposed employment agreement with Mr. I. M. Laddon as a consultant during the years 1949 and 1950 was approved.

December 16, 1948 - continued

5. The proposal to renew the lease for the use by the company of the Lockheed Lodestar airplane owned by Jacqueline Cochran Odlum was approved.

6. An expense allowance for the Chairman of the Board for the fiscal years 1948 and 1949 was approved.

7. The extension to February 28, 1949, of the time within which the Government may complete the renegotiation of the company for the year 1945 was approved.

8. The contract signing resolutions were amended to grant signing authority to the Director of Military Relations and to the Director of Commercial Sales.

9. Mr. Rockefeller gave an outline of the negotiations which are being conducted with the Reconstruction Finance Corporation regarding the plan of the Convair Equipm ent Corporation.

10. The officers were authorized, subject to the approval of tax counsel, to apply to the Commissioner of Internal Revenue for permission to make certain changes in accounting methods.

11. The preliminary financial statements as of November 30, 1948, were received, discussed, and filed.

12. An appropriation of $142,000 was made to cover certain preliminary design work at Fort Worth.

13. An advertising budget of $86,443 for the fiscal year 1949 was approved.

14. The payment of $80,994.07 to John E. Tarrant for professional services was approved.

15. Mr. Cohu reported on the general progress being made by the company.

16. It was announced that the next directors meeting will be held in San Diego on January 31, 1949.

January 31, 1949 - Board of Directors Meeting

1. The minutes of the meeting held December 16, 1948 were approved.

2. The time within which the Government may complete the renegotiation of the company for the year 1945 was extended to April 30, 1949.

3. An appropriation of $190,000 was made to cover the 1949 Preliminary Design Budget of the San Diego Division.

4. An invoice of Simpson, Thacher & Bartlett dated December 1, 1948, for legal fees of $50,000 and expenses of $1,574.85 was approved.

5. Mr. Watts was appointed as General Counsel of the company

6. The execution of a proxy giving Messrs. H. J. McAfee and R. H. Willette the right to vote for the company at a special meeting of stockholders of Airfleets, Inc., held on January 7, 1949, was ratified.

7. The company was authorized to cancel the provision made to the reserve for warranty in December, 1948, and effective December 1, 1948, to adopt the practice of evaluating from time to time the cost of correcting warranty defects and providing for such costs by periodic adjustment of the reserve for warranties.

8. The following action relative to the 1949 annual stockholders' meeting was taken:
   a. The date of meeting was postponed from March 16, 1949, to April 25, 1949.
   b. March 25, 1949, was fixed as the record date for determining stockholders entitled to receive notice of and to vote at the meeting.
   c. Messrs. Edmund Burke and David S. Devlin were appointed as Judges of Election.
   d. Messrs. Odlum, Cohu, Inch, McDonnell, and Rosenberg were appointed as a Proxy Committee.
   e. The Executive Committee was authorized to approve the Proxy Statement and to authorize sending it to all stockholders as of the fixed record date.
   f. The Executive Committee was authorized to approve the annual report for the fiscal year ended November 30, 1948, as prepared for distribution to stockholders.
   g. Arthur Young & Company was nominated as independent auditors of the company for the fiscal year 1949.
   h. The officers of the company were authorized to employ Georgeson & Co. to assist with the solicitation of proxies.

9. Mr. Rockefeller reported on the operations of Piper Aircraft Corporation and on Stinson airplane deliveries.

10. Mr. Rockefeller reported on Airfleets, Inc.

11. Mr. Howard reported on the performance of Model 240 airplanes now in service.

12. Mr. Miller reviewed the finances of the company.

13. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects on both military and commercial aircraft.

January 31, 1949 - continued

14. A contribution of $5,000 to The Arthritis and Rheumatism Foundation was approved.

15. It was announced that the next directors meeting will be held on March 7, 1949, at a place to be determined later.

March 7, 1949 - Board of Directors Meeting

1. The minutes of the meeting held January 31, 1949, were approved.

2. The resignation of Mr. Louis A. Johnson as a director was accepted.

3. The Bylaws were amended to reduce the number of directors from 17 to 14, to reduce the number of directors required for a quorum from 9 to 6, and to change the date of the annual meeting of stockholders from the third Wednesday in March to the third Monday in April.

4. The contract signing resolutions were amended to substitute the title "Manager of Contracts" for the title "Chief of Contracts", to authorize the Chief of Materials to sign construction and maintenance contracts up to a limit of $50,000 and to rescind the contract signing authority of the General Sales Manager, Stinson Aircraft.

5. The officers of the company were authorized to execute a proxy giving Mr. W. C. Rockefeller the right to vote the shares of Piper Aircraft Corporation owned by the company.

6. The following action relative to the 1949 postponed annual stockholders meeting was taken:

   a. Messrs. Odlum, Cohu, Down, Guiher, Hertz, Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller, Rosenberg, and Shaw were nominated as candidates for election as directors.

   b. The annual report for the fiscal year 1948, as prepared for distribution to stockholders was reviewed.

   c. The notice of the postponed annual meeting of stockholders, the proxy, and the proxy statement were approved and authority was granted to have them printed and distributed to stockholders of record on March 25, 1949.

7. Mr. Rockefeller reported on the sale of Stinson airplanes and on the operations of Piper Aircraft Corporation.

8. Mr. Rockefeller reported on Airfleets, Inc.

9. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects for commercial and military aircraft.

March 7, 1949 - continued

10. Mr. Miller reviewed the finances of the company.

11. The financial statements as of January 31, 1949, were received, discussed, and filed.

12. A salary committee composed of Messrs. Odlum, Inch, and Rosenberg was appointed.

13. Contributions of $5,000 to the American Red Cross at San Diego and $5,000 at Fort Worth were approved.

14. It was announced that the next directors meeting will be held in Fort Worth at 10 a.m. Central Standard Time, on March 29, 1949.

March 23, 1949 - Executive Committee Meeting

1. Mr. George H. Howard was nominated as a candidate for election as a director in place of Mr. James M. Guiher who had withdrawn as a nominee.

2. An appropriation of $9,296.90 for Tra-dex filing equipment was approved.

March 29, 1949 - Board of Directors Meeting

1. The minutes of the meetings held March 7, 1949 and March 23, 1949, were approved.

2. The nomination of Mr. George H. Howard as a candidate for election as a director of the company was ratified.

3. A resolution was adopted recognizing the service rendered to the company by Mr. Louis A. Johnson.

4. The Bylaws were amended to provide for the payment of salaries and fees to directors other than those who are either salaried officers or who receive an annual retainer of $12,000 or more.

5. The contract-signing authority of the Manager of the Dayton Office was rescinded.

6. Salary increases for Messrs. Cohu and Miller, effective March 1, 1949, were approved.

7. A contribution of $2,500 to the Scripps Memorial Hospital of La Jolla was approved.

8. The Supplement to the Credit Agreement dated April 30, 1948, was approved.

9. The financial statements as of February 28, 1949, were received, discussed, and filed.

March 29, 1949 - continued

10. Mr. Rockefeller reported on the sale of Stinson airplanes and on the operations of Piper Aircraft Corporation.

11. Mr. Rockefeller reported on Airfleets, Inc.

12. Mr. Ben O. Howard reported on the Convair-Liner warranty situation.

13. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects for commercial and military aircraft.

14. Mr. Ray O. Ryan, Fort Worth Division Manager, reported on the operations at Fort Worth.

15. A letter of commendation from the Navy Department regarding the Industrial Mobilization Planning Study, prepared by the company, was read.

16. It was announced that the annual directors meeting will be held in San Diego on April 25, 1949, immediately following the postponed annual meeting of stockholders.

April 25, 1949 - Stockholders Meeting

1. The Chairman requested all stockholders present to give their names to the Secretary if they had not already done so and if any stockholder wished to withdraw a proxy that had been submitted, he should notify the Secretary immediately.

2. The notice of the meeting was presented and ordered filed.

3. The affidavit of Mr. Kenneth W. Kehr dated March 28, 1949, was presented showing that he had mailed to each stockholder of record as of March 25, 1949, a notice of the annual meeting, a proxy statement, a proxy, a return envelope, and an annual report.

4. An alphabetical list of stockholders as of March 25, 1949, was presented.

5. Messrs. Edmund Burke and David S. Devlin qualified as judges for the purposes of the meeting.

6. The Secretary and the judges reported that 1,887,499 shares of stock were represented by stockholders present in person or represented by proxy. Thereupon, the Chairman declared that a quorum existed.

7. The minutes of the stockholders meeting held on July 9, 1948, were presented and approved.

April 25, 1949 - continued

8. The Chairman announced that the minutes of the meetings of both the Board of Directors and the Executive Committee which had been held since the date of the previous annual meeting of stockholders were available at the meeting in the event any stockholder cared to examine these minutes.

9. The Chairman introduced to the stockholders Messrs. Sidney G. Down and George H. Howard, new nominees for election as directors and commented briefly on matters of general interest to the stockholders.

10. The following were elected directors of the company:

Floyd B. Odlum	Oswald L. Johnston
La Motte T. Cohu	I. M. Laddon
Sidney G. Down	Donald N. McDonnell
Ben O. Howard	R. C. Patterson, Jr.
George H. Howard	W. C. Rockefeller
S. R. Inch	Joseph H. Rosenberg
John D. Hertz	George H. Shaw

11. Arthur Young & Company were elected as auditors for the fiscal year ending November 30, 1949.

12. All persons present were invited to remain after the meeting was adjourned to see motion pictures of the Model B-36 airplanes and the first Convair-Liner flight to Australia.

April 25, 1949 - Board of Directors Meeting

1. The election by the stockholders of Messrs. Odlum, Cohu, Down, Hertz, Ben O. Howard, G. H. Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller, Rosenberg, and Shaw as directors for the ensuing year was announced.

2. The election by the stockholders of Arthur Young & Company as independent auditors for the fiscal year ending November 30, 1949, was announced.

3. The minutes of the meeting held on March 29, 1949, were approved.

4. The following officers were elected at the stated rates of compensation:

Floyd B. Odlum	Chairman of the Board	Deferred
La Motte T. Cohu	President and General Manager	$75,000
Robert B. Watts	Vice President and General Counsel	36,000
L. W. Miller	Vice President	25,000
R. H. Biron, Jr.	Vice President	25,000
W. M. Shanahan	Secretary and Treasurer	20,000
G. T. Bovee	Controller	15,000
R. A. Bussey	Assistant Secretary and Assistant Treasurer	10,000
Edmund Burke	Assistant Secretary	On flat salary payroll
R. S. Pruitt	Assistant Secretary	6,000

April 25, 1949 - continued

5. Messrs. Odlum, Cohu, Inch, Johnston, and Rockefeller were appointed as members of the Executive Committee.

6. An extension of time to May 31, 1949, which was given to the Government to complete the Renegotiation Agreement for the fiscal year 1945 was ratified.

7. A resolution was adopted approving the proposed Renegotiation Agreement for the fiscal year 1945, and officers of the company were authorized to execute it.

8. Mr. Miller reported on the finances of the company.

9. The financial statements as of March 31, 1949, were received, discussed, and filed.

10. The formation of a patent corporation was authorized.

11. Mr. Rockefeller reported on the sale of Stinson airplanes, on the operations of Piper Aircraft Corporation.

12. Mr. Rockefeller reported on Airfleets, Inc.

13. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects for commercial and military aircraft.

14. It was announced that the next directors meeting will be at the call of the Chairman.

May 6, 1949 - Executive Committee Meeting

1. The resolutions controlling contract signing authority were amended to authorize the Treasurer of the company, during the period from May 6, 1949 to May 31, 1949, to execute jointly with the Chairman of the Board or a Vice President contracts of any kind and nature where the contract value in any one case exceeded $1,000,000.

June 14, 1949 - Executive Committee Meeting

1. An appropriation of $6,539.80 for equipment with which to anodize magnesium at the San Diego Division was approved.

2. A contribution of $15,000 for the assistance of company and Air Force employees who had suffered severe losses in a recent flood disaster at Fort Worth was approved.

3. The officers of the company were authorized to sell the Stinson plant for cash consideration of $750,000 less a 5% brokerage fee.

July 6, 1949 - Executive Committee Meeting

1. An appropriation of $6,074.73 for a building and facilities at the San Diego Division to house Government furnished electrical test equipment for use in connection with the XP5Y-1 project was approved.

July 6, 1949 - continued

2. The officers of the company were authorized to negotiate a proposed lease with the Department of Public Welfare of the California State Department of Social Welfare for space on the first floor of Building 19, subject to approval by the Board or Executive Committee before execution.

July 19, 1949 - Executive Committee Meeting

1. Mr. V. C. Schorlemmer was elected Secretary and Treasurer of the company and his salary was fixed at the rate of $20,000 a year until further action by the Board.

2. Mr. V. C. Schorlemmer was designated as attorney for service of process in California succeeding Mr. W. M. Shanahan, deceased.

3. Mr. V. C. Schorlemmer was designated as the person to whom shall be furnished copies of every process served upon the Commissioner of Corporations of California in proceedings brought against the company under the California Blue Sky Law.

August 23, 1949 - Executive Committee Meeting

1. The action of officers of the company in executing a revocable Power of Attorney appointing Messrs. John E. Hughes and John W. Hughes attorneys to represent the company before the Bureau of Internal Revenue was ratified.

2. The contract-signing resolutions were amended to establish signing authority for the Treasurer of the company; to eliminate the titles "Executive Vice President", "Director of Military Relations" and "Director of Contracts and Service; to eliminate reference to Stinson dealer and distributor contracts; and to rescind the third resolved clause which authorized officers to grant signing authority to additional persons.

3. Mr. Watts reported that the Renegotiation Agreement for the fiscal year 1945 had been completed.

4. Mr. Miller reported on Amendment No. 58 to Contract W33-038 ac-7 and related documents pertaining to the acceptance of advance payments on this contract.

5. Mr. Miller reviewed the current finances of the company.

6. Mr. Rockefeller reported on Stinson airplane sales and on the operations of Piper Aircraft Corporation related thereto.

7. Mr. Rockefeller reported on the current status of Airfleets, Inc.

8. Mr. Watts reported on the status of endeavors to effectuate the sale of the Stinson plant.

9. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects for commercial and military airplanes.

September 26, 1949 - Board of Directors Meeting

1. A resolution in memory of Mr. W. M. Shanahan was adopted.

2. The minutes of the meetings held April 25, May 6, June 14, July 6, July 19, and August 23, 1949, were approved.

3. Mr. Odlum reported on the B-36 inquiry before the Armed Services Committee of the House of Representatives.

4. Messrs. R. O. Ryan and R. C. Sebold were elected Vice Presidents of the company.

5. A committee composed of Messrs. Cohu, Rockefeller, and Inch was appointed to act on proposals for the sale of company-owned surplus real estate, replacing a committee composed of Messrs. Blees, Laddon, and Ben O. Howard.

6. The Bylaws of the company were amended by striking out of Section 1 of Article 4 the words "Regular" and "monthly".

7. The resolution controlling the appropriations for capital expenditures was amended to increase the amount subject to approval by the Board of Directors or the Executive Committee from $5,000 to $10,000.

8. The contract signing resolutions were amended to provide sales contract signing authority limited to $100,000 in any one case for the Manager of Contracts, San Diego Division.

9. The report for the six months ended May 31, 1949, and the financial statements as of August 31, 1949, were received, discussed, and filed.

10. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects for commercial and military aircraft.

11. Mr. Rockefeller reported on the sale of Stinson airplanes and on the operations of Piper Aircraft Corporation related thereto.

12. The action of the officers in subscribing to an investment of $15,000 in the Fort Worth-Dallas joint air terminal was ratified.

13. The Chairman's mid-year letter to stockholders dated August 20, 1949, was approved.

14. Consideration was given to a proposal to transfer certain properties to Airfleets, Inc., at book value for cash and other considerations. The proposal was related to the receipt by the company of firm orders for additional Convair-Liners.

15. Mr. Biron reported on the status of pending labor negotiations.

16. It was announced that the next directors meeting will be held about November 21, 1949.

October 28, 1949 - Executive Committee Meeting

1. Contract AF 33(038)-2182 and Supplemental Agreement No. 4 to Contract AF 33(038)-715 were approved and Mr. V. C. Schorlemmer, Treasurer, was authorized to execute them.

2. The modification of Piper Aircraft Corporation agreement providing that the company absorb 82.7% of any reduction in the price of on-hand Stinson airplanes and giving the company the right to withdraw not more than 111 Stinson airplanes from the operation of the agreement was approved.

3. The officers were authorized to enter into a contract with Mr. R. S. Pruitt providing for his employment for 3 years at $6,000 a year.

November 30, 1949 - Board of Directors Meeting

1. The minutes of the meetings held on September 26 and October 28, 1949, were approved.

2. The retirement of Mr. Ben O. Howard as special consultant on December 31, 1949, was announced and it was stated that Mr. Howard will also resign as a director on that date.

3. The appointment of Mr. Marion L. Hicks as an assistant secretary was ratified and approved.

4. The Bylaws were amended to provide that the Board shall meet on call, to delete references to "regular or special" meetings of the Board, and to eliminate references to the unused offices of "Vice Chairman of the Board" and "Executive Vice President."

5. Mr. V. C. Schorlemmer was appointed a member of the Group Annuity Committee.

6. The renewal of the use agreement on the Lockheed Lodestar airplane owned by Jacqueline Cochran Odlum was authorized.

7. An expense allowance for the Chairman of the Board for the fiscal year 1950 was approved.

8. The action of Mr. Cohu in authorizing the purchase for $10,400.10 of two Volumatic Model 93 Bruning Whiteprinter Machines was ratified.

9. The action of Messrs. L. W. Miller, Vice President, and V. C. Schorlemmer, Treasurer, in executing the supplement dated November 10, 1949, to the Bank Credit Agreement dated April 30, 1948, as amended, was ratified.

10. The action of Mr. R. H. Biron in executing a proxy in behalf of Consolidated Vultee Aircraft Corporation to vote in favor of the reduction in the par value of the preferred stock of Piper Aircraft Corporation at the meeting of the stockholders of that corporation held on November 22, 1949, was ratified.

11. The officers of the company were authorized to execute a Power of Attorney granting Mr. Georges de Sonchen the authority to execute a specific agreement for the sale of 34 Stinson airplanes to a purchaser in Spain.

12. The President of the company was authorized during the next 30 days to execute aircraft and parts sales contracts without limitation as to contract value.

13. The financial statements as of September 30 and October 31, 1949, were received, discussed, and filed. Mr. L. W. Miller reported that the amount borrowed under the Bank Credit Agreement had been reduced to $6,000,000.

14. The officers of the company were authorized to proceed with the proposal to transfer certain properties to Airfleets, Inc.

15. There was a discussion as to when the next dividend could be declared and the form which this dividend payment might take. No action was taken.

16. The Executive Officers' and Key Employees' Stock Purchase Plan was approved and resolutions were adopted to cover all actions necessary to effectuate the plan.

17. Mr. Rockefeller reported on the sale of Stinson airplanes and on the operations of Piper Aircraft Corporation related thereto. The officers of the company were authorized to sell the remaining on-hand Stinson airplanes to Piper Aircraft Corporation and to accept Piper Common Stock in payment therefor.

18. The subject of year-end adjustments was discussed and it was decided that no further amount should be set up at this time as a reserve for warranty on Model 240 airplanes.

19. Mr. Sebold reported on the progress being made in the design and engineering program. An appropriation was approved to cover the 1950 preliminary design and engineering program in the amount of $260,000 for the San Diego Division and $240,000 for the Fort Worth Division.

20. Mr. Biron reported on the status of current labor negotiations.

21. Mr. Rockefeller read Mr. Cohu's report on the general progress being made by the company and the sales prospects for commercial and military aircraft.

22. There was a general discussion on the prospects of sales of Model 240 airplanes to Transcontinental and Western Air, Inc., Eastern Air Lines, Inc., and air lines operating in Brazil.

23. The following contributions were approved:
    (a) An amount up to $5,000 to the Arthritis and Rheumatism Foundation.
    (b) An amount up to $30,000 in the aggregate to the Fort Worth and San Diego Community Chests.

24. The next directors meeting was tentatively set for Friday, January 27, 1950.

January 27, 1950 - Board of Directors Meeting

1. The minutes of the meeting held November 30, 1949, were approved.

2. The resignation of Mr. Ben O. Howard as a director on December 31, 1949, was announced and the resignation of Mr. Joseph H. Rosenberg as a director was presented and accepted with regret.

3. The action of Mr. Robert B. Watts in executing a proxy for use at the annual meeting of the stockholders of the Manufacturers Aircraft Association was ratified.

4. The resolutions adopted July 3, 1943, which designated depositories of withheld income taxes were rescinded and resolutions designating Bank of America, San Diego, and Fort Worth National Bank, Fort Worth, as depositories of both income taxes withheld from wages and employer's tax and employees' tax were adopted.

5. There was a general discussion on the financial situation of the company and the officers were authorized, subject to the approval of Tax Counsel, to apply to the Commissioner of Internal Revenue for permission to change, from the present method of not taking up fees on fixed-fee contracts until the products are delivered, to the method of taking up these fees as they are earned.

6. The Executive Officers' and Key Employees' Stock Purchase Plan was discussed. The Committee appointed to designate the participants and allocations reported in respect to allocations. The Plan was directed to be submitted for the approval of stockholders at the annual meeting.

7. The Bylaws were amended to reduce the number of directors from fourteen to twelve.

8. The following action was taken relative to the 1950 annual stockholders meeting:

   (a) March 13, 1950, was fixed as the record date for determining stockholders entitled to receive notice of and to vote at the meeting to be held April 17, 1950.
   (b) Messrs. Edmund Burke and David S. Devlin were appointed as Judges of Election.
   (c) Messrs. Odlum, Cohu, Down, Inch, and McDonnell were appointed as a Proxy Committee.
   (d) Messrs. Odlum, Cohu, Down, Hertz, Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller, and Shaw were nominated as candidates for election as directors.
   (e) The Executive Committee was authorized to approve the issuance of the annual report for the fiscal year 1949 and approve the notice of the annual meeting of stockholders, the Proxy and the Proxy Statement when prepared, and to authorize the aforesaid printed and distributed to stockholders as of the fixed record date together with copies of the annual report to the company's employees.
   (f) Arthur Young & Company was nominated as independent auditors of the company for the fiscal year 1950.
   (g) The officers of the company were authorized to employ Georgeson & Co. to assist with the solicitation of proxies.

FIE

January 27, 1950 - continued

9. Mr. Rockefeller reported on the sale of Stinson airplanes and on the operation of Piper Aircraft Corporation related thereto.

10. Mr. Cohu reported on the general progress being made by the company and the sales prospects for commercial and military aircraft.

11. Resolutions were adopted authorizing the transfer of certain company assets to Airfleets, Inc., for 235,000 shares of Airfleets, Inc., common stock and its notes for $6,825,000.

12. Mr. Watts reported on the status of pending litigation involving the company.

13. The next directors meeting was set for February 24, 1950, at a place to be designated later.

February 24, 1950 - Board of Directors Meeting

1. The minutes of the meeting held January 27, 1950, were approved.

2. The resolutions controlling contract signing authority were amended to eliminate the title "Washington Manager" and to substitute the words "a Vice President" for the words "the Executive Vice President".

3. The preliminary financial statements for the fiscal year 1949 were received, discussed and filed.

4. A dividend of 1/10 of a share of common stock of Airfleets, Inc., for each share of common stock of Consolidated was declared payable on March 31, 1950 to Consolidated holders of record on March 13, 1950. Cash to be paid in lieu of fractional shares at the rate of $4.50 per Airfleets share.

5. The notice of the annual meeting of stockholders, the Proxy and the Proxy Statement were approved as prepared, and they were ordered printed and sent to stockholders of record as of March 13, 1950. The issuance of the annual report including the certified financial statements for the fiscal year 1949 was approved and it was ordered printed and sent to stockholders of record as of March 13, 1950, and to employees.

6. Mr. Cohu reported on the general progress being made by the company and reviewed the sales prospects for commercial and military aircraft.

7. The officers of the company were authorized to negotiate and execute a new Credit Agreement for a maximum of $20,000,000.

8. Contributions to the American Red Cross of $5,000 at San Diego and $5,000 at Fort Worth were approved.

9. The next meeting was set for March 20, 1950, at a place to be determined later.

March 20, 1950 - Board of Directors Meeting

1. The minutes of the meeting held February 24, 1950, were approved.

2. The resolutions controlling contract-signing authority were amended to eliminate the title "Director of Commercial Sales" and substitute therefor the title "Director of Sales and Contracts"; also to provide parts sales contract-signing authority for the Parts Sales Supervisor.

March 20, 1950 - continued

3. The preliminary financial statements as of February 28, 1950, were received, discussed and filed.

4. The Executive Committee was authorized to approve capital expenditures up to $1,000,000 at San Diego required to handle B-36 work, contingent upon the receipt of authorization to perform work on B-36 airplanes at San Diego.

5. The proposed new Credit Agreement was approved and officers of the company were authorized to execute it and all other documents related thereto.

6. Mr. Rockefeller reported on Airfleets, Inc.

7. The annual directors meeting was set to be held in San Diego on April 17, 1950, immediately following the annual meeting of stockholders.

8. A committee composed of Messrs, Cohu, Inch and Laddon was authorized to approve agreements between the company and Airfleets, Inc., relating to sales assistance to be rendered by the latter on Convair-Liners and to the compensation to be paid by the company for such assistance.

9. Officers of the company were authorized to endorse for transfer the certificate of 100,000 shares of Piper Aircraft Corporation common stock sold by the company to Airfleets, Inc.

10. Mr. Cohu reported on the status of the company's present contracts and the prospects for future business.

April 17, 1950 - Stockholders Meeting

1. The Chairman requested all stockholders present to give their names to the Secretary if they had not already done so and if any stockholder wished to withdraw a proxy that had been submitted he should notify the Secretary immediately.

2. The notice of the meeting was presented and ordered filed.

3. The affidavit of Mr. Edmund Burke, Assistant Secretary, dated March 23, 1950, was presented showing that he had either mailed or delivered in person to all registered holders of common stock of record as of March 13, 1950, a notice of the annual meeting, a proxy statement, a proxy, a return envelope, and an annual report.

4. An alphabetical list of stockholders as of March 13, 1950 was presented.

5. Messrs. Edmund Burke and David S. Devlin qualified as judges for the purposes of the meeting.

6. The judges reported that 1,931,930 fully-paid and 59,600 partly-paid shares of stock were represented by stockholders present in person or represented by proxy. Thereupon, the Chairman declared that a quorum existed.

7. The minutes of the stockholders meeting held on April 25, 1949, were presented and approved.

April 17, 1950 - continued

8. The Chairman announced that the minutes of the meetings of both the Board of Directors and the Executive Committee which had been held since the date of the previous annual meeting of stockholders were available at the meeting in the event that any stockholder cared to examine these minutes.

9. The following were elected directors of the company:

Floyd B. Odlum	Oswald L. Johnston
La Motte T. Cohu	I. M. Laddon
Sidney G. Down	Donald N. McDonnell
John D. Hertz	R. C. Patterson, Jr.
George H. Howard	W. C. Rockefeller
S. R. Inch	George H. Shaw

10. Arthur Young & Co., was elected as auditors for the fiscal year ending November 30, 1950.

11. The Executive Officers' and Key Employees' Stock Purchase Plan was approved.

12. The Chairman and the President and General Manager commented briefly on matters of general interest to the stockholders.

13. All persons present were invited to remain after the meeting was adjourned to see motion pictures recently released showing the Model B-36 airplane and other company projects.

April 17, 1950 - Board of Directors Meeting

1. The election by the stockholders of Messrs. Odlum, Cohu, Down, Hertz, Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller, and Shaw as directors for the ensuing year was announced.

2. The election by the stockholders of Arthur Young & Company as independent auditors for the fiscal year 1950, was announced.

3. The approval by the stockholders of the Executive Officers' and Key Employees' Stock Purchase Plan was announced.

4. The minutes of the meeting held March 20, 1950, were approved.

5. The following officers were elected at the stated annual rates of compensation:

Chairman of the Board	Floyd B. Odlum	Deferred
President and General Manager	La Motte T. Cohu	$ 75,000
Vice President	R.H. Biron, Jr.	25,000 until May 1, 1950
		30,000 thereafter
Vice President	L.W. Miller	25,000
Vice President	R.O. Ryan	22,500 until May 1, 1950
		28,000 thereafter
Vice President	R.C. Sebold	22,500 until May 1, 1950
		28,000 thereafter
Vice President and General Counsel	Robert B. Watts	36,000
Secretary and Treasurer	V.C. Schorlemmer	20,000
Controller	G.T. Bovee	15,000

April 17, 1950 - continued

Assistant Secretary and Assistant Treasurer	R.A. Bussey	$ 10,000
Assistant Secretary	Edmund Burke	On Flat Salary Payroll
Assistant Secretary	M.L. Hicks	On Flat Salary Payroll
Assistant Secretary	R.S. Pruitt	6,000
Assistant Treasurer	J.A. Scott	On Flat Salary Payroll

6. Messrs. Odlum, Cohu, Inch, Johnston, and Rockefeller were appointed as members of the Executive Committee.

7. The action of Mr. Cohu in having authorized capital expenditures in the amount of $706,006 for the B-36 modernization work at San Diego was ratified and additional capital expenditures to bring the aggregate to be expended for this purpose to an amount not to exceed $750,000 was authorized.

8. The action of Mr. Watts in executing at the request of Airfleets, Inc., a proxy for 100,000 shares of Piper Aircraft Corporation common stock, was ratified.

9. The resolutions pertaining to the Credit Agreement which were adopted on March 20, 1950, were amended to include the Controller of the company as a signatory.

10. The Secretary reported that the dividend distributed to stockholders of the company on March 31, 1950, aggregated 231,480 shares of Airfleets, Inc., stock and the cash paid in lieu of fractional Airfleets shares aggregated $4,886.10 and that following this distribution the company held 6,408 shares of Airfleets stock or 2.69% of the total stock issue.

11. The appointment of Schroder Trust Company as Transfer Agent and Dividend Disbursing Agent was cancelled and The Chase National Bank of the City of New York was appointed Transfer Agent and Dividend Disbursing Agent. Also the appointment of The Chase National Bank of the City of New York as Registrar was cancelled and the Manufacturers Trust Company was appointed Registrar. These changes to become effective June 1, 1950.

12. The Executive Committee was authorized to consider and pass upon the advisability of appointing a Transfer Agent and a Registrar at a West Coast location.

13. Mr. Cohu reported on the status of the company's present contracts and the prospects for future business.

14. There was a general discussion on possible business in commercial airplanes. No action was taken.

15. The next directors meeting was set to be held on May 22, 1950, at 435 East 52nd Street, New York City.

May 22, 1950 - Board of Directors Meeting

1. The minutes of the annual meeting of the Board of Directors held April 17, 1950, were approved.

2. The officers of the company were authorized to negotiate contracts with Airfleets, Inc., to provide for the installation of additional fuel tanks.

3. The financial statements as of March 31 and April 30, 1950, were received, discussed and filed.

May 22, 1950 - continued

4. The lease of Model 240 airplane No. 24927 to Hughes Aircraft Company, was reported.

5. There was a general discussion of prospective business in commercial airplanes.

6. The annual salaries of Messrs. Miller and Rockefeller were increased effective May 1, 1950, to $28,000 each.

7. Mr. Cohu reported on plant facilities at the San Diego Division for the B-36 modernization program and the status of other contracts.

8. The officers of the company were authorized to negotiate and execute a participation in an Export-Import Bank loan, to Ethiopian Airlines Inc. or the Ethiopian Government, and to guarantee the performance of Airfleets, Inc. in a proposed undertaking under which Airfleets is negotiating the sale of 2 Convair-Liners and spare parts to Ethiopian Airlines, Inc.

9. The resolution clause adopted November 30, 1950, approving the form of stock certificate for partly-paid shares was rescinded, and a resolution was adopted approving a certificate in the final form.

10. It was announced that the next directors meeting will be held subject to the call of the Chairman.

June 21, 1950 - Executive Committee Meeting

1. Mr. J. V. Naish was elected a Vice President of the company, no change in salary.

August 1, 1950 - Executive Committee Meeting

1. The following appropriations for San Diego facilities were approved:

Purchase of automotive equipment	$ 57,892.35
Purchase of equipment, also improving, repairing and constructing instruments for the Electronic and Electrical Laboratory	$ 60,000.00

September 11, 1950 - Board of Directors Meeting

1. The minutes of the meetings held on May 22, June 21, and August 1, 1950, were approved.

2. The annual salary of Mr. J. V. Naish was increased effective September 1, 1950 to $22,500.

3. The chairman reported on the status of the 1944 tax claim against the Government.

4. The action of Messrs. Miller and Watts in executing a power of attorney appointing Mr. John E. Hughes, tax attorney for the company to receive from the Treasury Department a check or checks payable to the company for the refund of 1944 taxes was ratified.

5. Mr. Edmund Burke was elected as an Assistant Treasurer.

6. The resolution adopted by the Board of Directors on March 29, 1949, which authorized the Washington Manager of the company to affix the corporate seal to certain contracts was rescinded.

7. Resolutions were adopted approving a form of Lost Security Blanket Bond, and a form of Affidavit of Loss and Indemnity Agreement, and establishing a proceedure for effecting the replacement of securities of company issue which are reported by stockholders as lost, stolen, or destroyed.

8. A proposal to lease Convair-Liner airplane No. N927E from Airfleets was approved.

9. A proposed contract between Convair and Airfleets relating to wing tanks was approved.

10. The financial statements as of May 31, June 30, and July 31, 1950, were received, discussed and filed.

11. Messrs. Odlum and Miller reviewed a forecast and budget including the status of the Convair-Liner warranty reserve.

12. A year-end dividend of $1.00 a share payable November 17, 1950, to stockholders of record as of November 3, 1950, was declared.

13. The officers of the company were authorized to sell at their discretion, the remaining shares of Airfleets Inc. stock owned by the company.

14. Mr. Sebold reported on the research program, and a proposed supplemental appropriation of $75,000 for the 1950 Preliminary Design and General Engineering Program was approved.

15. Messrs. Odlum, Naish and Sebold reviewed the commercial airplane program.

16. Mr. Biron reported on matters relating to the company's wage and salary scale.

17. Mr. Cohu made a general progress report on the company.

18. The next directors meeting was set to be held at 11:00 a.m., on Thursday, October 26, 1950, in San Diego.

October 10, 1950 - Executive Committee Meeting

1. The following appropriations for San Diego facilities were conditionally approved:

Item	Amount
1. Capital Facilities for Model R3Y-1 Airplane	$ 150,661.00
2. Machine Tools	764,213.00
3. Office Furniture File Cabinets, etc.	133,889.82
Total	$1,048,703.82

November 16, 1950 - Executive Committee Meeting

1. Mr. Robert B. Watts, Vice President, was authorized to execute a lease for space at the Santa Ana Lighter Than Air Base.

November 27, 1950 - Board of Directors Meeting

1. The minutes of the meeting held on September 11, 1950, were approved.

2. Mr. R. A. Bussey was designated as representative of the company in California for service of process.

3. Mr. R. A. Bussey was designated as representative of the company to receive copies of processes served under the California Blue Sky Law.

4. Mr. Robert B. Watts, was authorized to exercise a power of attorney in favor of Messrs. Burnell and Goodrich, Carlos T. Maceira, and Jorge Zamora, of Mexico City, in order that they may exercise such power relating to certain claims originating in Mexico.

5. The resolutions controlling contract signing authority were amended to provide signing authority with respect to purchase orders for an employee holding the title Assistant Chief of Materials, and establishing signing authority with limitations in connection with subcontracts.

6. Messrs. J. E. Arnold and G. M. Robertson, were elected Assistant Treasurers.

7. The annual salary of Mr. R. A. Bussey was increased to $10,600 effective October 16, 1950.

8. An expense allowance for the Chairman of the Board for the fiscal year 1951, to be the same in all respects as that which was approved for the fiscal year 1950, was approved.

9. The proposed renegotiation agreement for the fiscal year 1948 was approved, and officers of the company were authorized to execute the agreement.

10. A special committee composed of Messrs. Laddon and Down was appointed to review certain proposals for capital expenditures, and to report thereon to the Executive Committee, with the officers being authorized pending further action by the Executive Committee to purchase such items as in their judgment are urgently needed.

11. The minutes of the meetings held on October 10, and November 16, 1950, were approved.

12. Mr. Sebold presented a proposed appropriation for the 1951 Preliminary Design and General Engineering Program, and a proposal relating to the Southern California Cooperative Wind Tunnel.

13. An appropriation aggregating $600,000, was approved to cover the 1951 Preliminary Design and General Engineering Program for the San Diego and Fort Worth Divisions.

14. The officers of the company were authorized in their discretion to execute an agreement covering a proposed modernization of the Southern California Cooperative Wind Tunnel, which would commit the company for 1/6th of a total modernization cost, with the company's share to be approximately $700,000, provided this modernization can be accomplished under necessity certificates.

15. Mr. Biron reported on wage and salary matters.

16. The financial statements as of August 31, September 30, and October 31, 1950, were received, discussed and filed.

17. Messrs. Cohu, Naish, Ryan, Sebold, Irvine, Larson and Widmer, participated in a presentation of the Model B-36 and Missile programs.

18. The production of twenty Convair-Liner airplanes, Model 240-A, was approved, and the officers were authorized to make forward purchases of materials needed for such production.

19. The Chairman was authorized to employ Robert Heller and Associates, Inc., 1568 Union Commerce Building, Cleveland, Ohio, to make a study of organization matters and report thereon to the Chairman.

20. The next directors meeting was tentatively set to be held on Thursday, December 21, 1950, in San Diego.

January 10, 1951 - Executive Committee Meeting

1. The following appropriations were approved for San Diego facilities:

	Amount
Paint spray Booth Plant 2	$ 13,459.46
Engineering Department equipment	33,298.76
Construction of cat walk	6,341.73
Total	$ 53,099.95

2. The approval of capital expenditures totaling $1,125,184.82 which was approved by a special committee was ratified.

3. A contribution of $5,000 to the Arthritis and Rheumatism Foundation was approved.

January 23, 1951 - Executive Committee Meeting

1. The annual salary of Mr. J. V. Naish, Vice President, was increased to $28,000, effective January 1, 1951.

2. The action of Mr. J. V. Naish, Vice President, in signing letter contracts for the sale of Convair-Liners to United Air Lines and Braniff Airways was ratified.

January 26, 1951 - Board of Directors Meeting

1. The minutes of the meetings held November 27, 1950, and January 10, and January 23, 1951, were approved.

2. The following action was taken relative to the 1951 annual stockholders meeting:

   (a) February 27, 1951, was fixed as the record date for determining stockholders entitled to receive notice of and to vote at the meeting.

   (b) Messrs. Edmund Burke and David S. Devlin were appointed Judges of Election.

   (c) Messrs. Odlum, Cohu, Down, Inch and McDonnell were appointed as a Proxy Committee.

   (d) Messrs. Odlum, Cohu, Down, Hertz, Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller and Shaw were nominated as candidates for election as directors.

   (e) The notice of the annual meeting of stockholders, the Proxy and the Proxy Statement as presented were approved, subject to such changes as may be required by either the General Counsel or the Securities and Exchange Commission, and the officers were authorized to have the aforesaid printed and distributed to stockholders as of the record date.

   (f) Arthur Young & Company was nominated as independent auditors of the company for the fiscal year ending November 30, 1951.

   (g) The officers of the company were authorized to employ Georgeson & Co. to assist with solicitation of proxies.

3. The execution of a Proxy for use at the Manufacturers Aircraft Association annual meeting was ratified.

4. Contract signing authority limited to $100,000 was extended to the Manager of the Daingerfield Laboratory.

5. The execution of the contract with Robert Heller & Associates was ratified.

6. The officers of the company were authorized to negotiate and execute a lease for additional space in the Plant 2 area at San Diego.

7. Mr. L. W. Miller reviewed the financial statements as of November 30, 1950, and the statements were discussed and filed.

8. A quarterly dividend of 35¢ a share, payable February 27, 1951, to stockholders of record February 16, 1951, was declared.

9. Mr. Cohu reported on the general progress being made by the company.

10. Mr. Biron reported on the wage and salary status.

January 26, 1951 - Continued

11. The issuance of the annual report including the certified financial statements for the fiscal year ended November 30, 1950, was approved.

12. The amount for which the officers are authorized to commit the company for the modernization of the Southern California Cooperative Wind Tunnel was increased from 1/6th of a total cost of approximately $4,000,000, to 1/6th of a total cost of approximately $6,000,000, provided this modernization can be accomplished under a Necessity Certificate to the extent of 100 percent of the amount expended.

13. An appropriation aggregating $45,682.62 was approved to cover improvements on certain San Diego Plant buildings and the acquisition of two blue print machines for the Engineering Department at San Diego. An appropriation of $65,000 was approved for the purchase of equipment required for the Electronic and Electrical Laboratory at San Diego. This is in addition to the expenditure of $60,000 approved by the Executive Committee on August 1, 1950.

14. A proposed exchange of Airplane 927E owned by Convair, and the Pasquel Airplane owned by Airfleets, was discussed, but no action was taken.

15. Mr. Robert C. Brockway was elected as an Assistant Treasurer.

16. The following contributions were approved:

    (a) Community Chests at Fort Worth and San Diego aggregating $30,000.

    (b) San Diego Hospital Fund $50,000.

    (c) Red Cross at Fort Worth and San Diego each in the amount of $ 5,000.

17. It was announced that the next director's meeting will be held subject to the call of the chairman.

March 7, 1951 - Board of Directors Meeting

1. The officers of the company were authorized to expend an amount aggregating not to exceed $7,000,000 in taking title to property now under option, and in further capital expenditures for the manufacture of guided missiles and related devices, subject to the procurement of contracts warranting the expenditure and the obtaining of acceptable Necessity Certificates.

2. Investments of company funds in an amount aggregating not to exceed $5,000,000 was authorized, and a committee composed of Messrs. Odlum, Hertz, and McDonnell, was appointed to administer the investments.

3. The officers of the company were authorized to enter into negotiations with banks, for the purpose of arranging a new credit agreement.

4. A committee composed of Messrs. Odlum, Rockefeller and Hertz, was appointed to negotiate with The Lansing Foundation for the purpose of making an arrangement that would result in the termination of the existing tooling lease agreement.

5. Mr. Laddon was appointed a member of the Executive Committee and its Chairman, succeeding Mr. Odlum, who resigned as a member and the Chairman of that committee.

March 7, 1951 - Continued

6. The financial statements as of December 31, 1950, and January 31, 1951, were received, discussed and filed.

7. Mr. Cohu reported on the general progress being made by the company.

8. The minutes of the meeting held January 26, 1951, were approved.

9. The resolutions controlling contract signing authority were amended to establish signing authority for employees holding the titles "Director of Procurement" and "Chief of Subcontracting", to eliminate the clause providing for the delivery of executed contracts to the Secretary and to substitute a clause for the same purpose in a form better suited to the current organization, and to eliminate certain obsolete titles and authorizations.

10. The annual directors meeting was set to be held in San Diego on Monday, April 16, 1951, immediately following the annual meeting of stockholders.

March 14, 1951 - Executive Committee Meeting

1. The officers were authorized to approve the participation of the company in the proposed improvement to the Southern California Cooperative Wind Tunnel subject to a Necessity Certificate for a 5 year amortization relating to 90% of the estimated cost.

March 20, 1951 - Executive Committee Meeting

1. The officers were authorized to buy 22 additional acres of land adjacent to the property recently purchased in the Pomona area.

March 30, 1951 - Executive Committee Meeting

1. The over-all activities of the company were discussed.

April 5, 1951 - Executive Committee Meeting

1. The company's affairs were discussed.

April 12, 1951 - Executive Committee Meeting

1. The company's affairs were discussed.

April 16, 1951 - Stockholders Meeting

1. The Chairman requested the stockholders present to give their names to the Secretary, if they have not already done so and if any stockholder wished to change his proxy, he should inform the Secretary immediately.

2. The notice of the meeting was presented and ordered filed.

3. An affidavit was presented which showed that a notice of the annual meeting, a proxy, and a proxy statement were mailed to each stockholder on March 7, 1951.

April 16, 1951 - Continued

4. A list of stockholders as of February 27, 1951 was presented.

5. Messrs. Edmund Burke and D. S. Devlin qualified as judges for the purposes of the meeting.

6. The judges reported that 2,022,016 fully-paid and 19,417 partly-paid shares were represented by the stockholders present in person, or represented by proxy. Thereupon, the Chairman declared that a quorum existed.

7. The minutes of the stockholders meeting held April 17, 1950, were read and approved.

8. The Chairman announced that the minutes of the meetings of both the Directors and the Executive Committee which had been held since the date of the previous annual meeting of stockholders were available at the meeting in the event any stockholder cared to examine them.

9. The following were elected directors of the company:

Floyd B. Odlum	Oswald L. Johnston
LaMotte T. Cohu	I. M. Laddon
Sidney G. Down	Donald N. McDonnell
John D. Hertz	R. C. Patterson, Jr.
George H. Howard	W. C. Rockefeller
S. R. Inch	George H. Shaw

10. Arthur Young & Company was elected independent auditors for the fiscal year ending November 30, 1951.

11. The Chairman and the President commented briefly on matters of general interest to the stockholders.

12. All stockholders present were invited to attend a luncheon to be served after the meeting adjourned and thereafter to see a motion picture entitled "Flight Plan For Freedom", produced by the March of Time, which featured a training mission of the company built B-36D airplane.

April 16, 1951 - Board of Directors Meeting

1. The election by the stockholders of Messrs. Odlum, Cohu, Down, Hertz, Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller and Shaw as directors for the ensuing year was announced.

2. The election by the stockholders of Arthur Young & Company as independent auditors for the fiscal year ending November 30, 1951, was announced.

3. The minutes of the meetings held March 7, March 14, March 20, March 30, April 5 and April 12, 1951, were approved.

4. A quarterly dividend of 35¢ a share payable May 25, 1951, to stockholders of record May 15, 1951, was declared.

5. The Bylaws were amended in respect to the powers of various officers.

6. Messrs. Cohu, Down, Inch, Laddon and Rockefeller were appointed as members of the Executive Committee.

7. Mr. I. M. Laddonwas elected Chairman of the Executive Committee, and his salary was fixed at the annual rate of $20,000 in addition to the compensation paid to him as a director.

8. The Chairman of the Board, and Messrs. Hertz and McDonnell were reappointed a committee to administer the investment of the funds of the company in securities.

9. The Chairman of the Board and Messrs. Hertz and Rockefeller were reappointed a committee to negotiate with The Lansing Foundation, Inc., for the termination of the existing lease agreement covering tooling equipment.

10. The following officers were elected at the stated annual rates of compensation:

Chairman of the Board	Floyd B. Odlum	Deferred
President	LaMotte T. Cohu	$ 75,000
Vice President and General Manager	A. P. Fontaine	40,000
Vice President	R. H. Biron	30,000
Vice President	L. W. Miller	28,000
Vice President	J. V. Naish	28,000
Vice President	R. O. Ryan	28,000
Vice President	R. C. Sebold	28,000
Vice President and General Counsel	Robert B. Watts	36,000
Secretary and Treasurer	V. C. Schorlemmer	20,000
Controller	G. T. Bovee	15,000
Assistant Secretary and Assistant Treasurer	Edmund Burke	Not fixed by Board
Assistant Secretary and Assistant Treasurer	R. A. Bussey	10,600
Assistant Secretary	M. L. Hicks	Not fixed by Board
Assistant Secretary	R. S. Pruitt	6,000
Assistant Treasurer	J. B. Alldredge	Not fixed by Board
Assistant Treasurer	J. E. Arnold	Not fixed by Board
Assistant Treasurer	R. C. Brockway	Not fixed by Board
Assistant Treasurer	E. B. Scott	Not fixed by Board
Assistant Treasurer	J. P. Syren	Not fixed by Board

11. The action of Mr. Robert B. Watts, Vice President, in executing a proxy for use at the annual meeting of the stockholders of Airfleets, Inc., was ratified.

12. The Chairman reported on the investment of the funds of the company in securities.

13. The Chairman reported on the progress being made in the proposed termination of the lease agreement with The Lansing Foundation, Inc.

14. Mr. Watts reported on the status of the Pomona project.

15. The financial statements as of February 28 and March 31, 1951, were received, discussed and filed.

16. Mr. Miller discussed a proposed new Credit Agreement, after which the Executive Committee was instructed to further review the proposed agreement with power to authorize its execution by the officers of the company.

April 16, 1951 - Continued

17. Mr. Naish reported on recently made and prospective sales of aircraft.

18. Mr. Sebold reported on engineering projects.

19. Mr. G. B. Allen, of Robert Heller & Associates, made a progress report on the analysis of the organization being made by that firm, after which the firm was authorized to add two men to the basic staff employed on this assignment at an aggregate additional cost to the company of $8,000, plus expenses.

20. An advertising budget was presented and referred to the Executive Committee for consideration.

21. A proposed settlement of a stockholders suit was approved.

22. Mr. Cohu reported on the general progress being made by the company.

23. For the remaining Convair-Liners unsold, out of the original 100 Convair-Liners which were authorized to be built and as to which engines and propellers have been previously ordered, a price of $520,000 each, plus estimated increases in material (except as to engines and propellers) and labor costs that have been incurred, or which are expected to be incurred since the date of establishment of the $520,000 price, was authorized.

24. The officers were authorized to sell additional Convair-Liners over the original 100, at a price of $520,000 each, plus escalation from the date that the price was established on the original 100 airplanes, with a maximum price fixed at $575,000 each. The following limitations are to apply on such additional Convair-Liners:

    (a) The maximum price limitation of $575,000 will apply only to the first 30 Convair-Liners over the original 100, after which the price limitation must be reviewed.

    (b) The price policy herein established will be subject to review at the next meeting of the Board.

25. The next director's meeting was set to be held at 11:00 a.m., Eastern Daylight Saving Time, on Monday, May 28, 1951, at 435 East 52nd Street, New York City.

April 24, 1951 - Executive Committee Meeting

1. The appointment of Mr. Robert A. Macfarlane, as agent to receive service of Workman's Compensation Claims in Arizona was ratified.

2. Mr. Robert B. Watts, Vice President, was authorized to execute documents necessary to effectuate annexation of company-owned land at Pomona to the city of Pomona, and to acquire easements or quit claim deeds from the city of Pomona affecting property owned by the company.

3. The officers were instructed to negotiate a limited, exclusive user agreement for the Pomona plant.

April 24, 1951 - Continued

4. The officers were authorized to advise Buttress and McClellan of the intention to use the services of that firm in connection with the Pomona project.

5. A capital expenditure budget of $938,000 for the second quarter was approved with the understanding that applications for Necessity Certificates would be made thereon, and Messrs. Cohu and Fontaine were authorized to approve requests within this budget.

6. A revised advertising budget of $345,051 for 1951 was approved.

7. The next meeting of the Executive Committee was set to be held in San Diego at 10:00 a.m., Pacific Daylight Saving Time on Friday, May 4, 1951.

April 26, 1951 - Executive Committee Meeting

1. The proposed new Credit Agreement was approved and the officers of the company were authorized to execute it and all other documents related thereto.

2. The appointment of Mr. Jack C. Newburn, as Assistant Division Manager of Division Number Three, was approved.

3. The purchase of water drainage and storage facilities at Pomona at a cost of not to exceed $10,000, was authorized.

4. The purchase of up to 18 acres of additional land at Pomona, adjacent to land previously purchased, at a cost per acre of not to exceed $3,000, was authorized.

5. The action taken on April 24, 1951 with respect to an exclusive user agreement was rescinced, and the officers were instructed to negotiate a modified form of exclusive user agreement for the Pomona plant.

May 4, 1951 - Executive Committee Meeting

1. A written summary of the proposed capital expenditure aggregating $938,000 for the 2nd quarter of the fiscal year 1951 was received, approved and ordered filed.

2. The execution of facility agreements on the Pomona property involving construction and equipment expenditures up to $7,000,000 were authorized.

3. The next meeting of the Executive Committee was set to be held in San Diego, at 9:00 a.m., Pacific Daylight Saving Time, on Tuesday, May 8, 1951

May 8, 1951 - Executive Committee Meeting

1. The committee made a personal inspection tour of the San Diego engineering facilities.

2. An appropriation for capital expenditures aggregating $3,052,700 for the construction of additional engineering facilities at San Diego Division including improvements and interim moves was requested.

May 8, 1951 - Continued

3. The expenditure of funds up to $3,100,000 was authorized for the procurement of additional engineering facilities at San Diego Division, and officers of the company were instructed to make appropriate applications for Necessity Certificates for these added facilities.

May 17, 1951 - Executive Committee Meeting

1. There was discussed a tentative suggestion of the San Diego Harbor Commission that the company might acquire additional tideland properties on Lindbergh Field in San Diego, on which to place additional engineering facilities and more detailed cost information was to be furnished to the Board at its next meeting.

2. Mr. Watts was directed to secure data for submission to the Board at its next meeting concerning the availability of additional tideland property on the westerly side of Lindbergh Field for possible acquisition by the company under a long-term lease.

May 22, 1951 - Board of Directors Meeting

1. The minutes of the meeting held April 16, 1951, were approved.

2. The minutes of the meetings held April 24, April 26, May 4 and May 17, 1951, were approved.

3. The minutes of the meeting of the Executive Committee held on May 8, 1951, were approved to the extent of authorizing temporary moves and alterations needed by the San Diego Division Engineering Department at an approximate cost of $186,000, and the employment of architects to prepare studies and drawings of the proposed new engineering building at San Diego. The authority to make expenditures for the San Diego Division Engineering Department beyond these two items was revoked, and the expansion of the engineering facilities at the San Diego Division was left for future consideration.

4. A policy was established for the future guidance of the Executive Committee in the consideration of proposed major expenditures.

5. Mr. Cohu reported on the decision of the Government to have the company build the Pomona plant for the Government, the plant to be operated by the company, and on the desire of the Government to obtain a short-term lease and option to purchase the land at Pomona heretofore acquired by the company. Following the report, the officers of the company were authorized to execute a short-term lease and option to the Government on the Pomona land at a price representing the company's total costs therefor, including appropriate preliminary costs, with carrying charges.

6. The financial statements as of April 30, 1951, were received, discussed and filed.

7. Mr. Watts made a progress report on proposals for the acquisition of additional tideland properties on Lindbergh Field in San Diego and advised the Board that further studies would be made and the results submitted to the Board for its consideration.

8. Mr. Odlum reported on the investment of funds of the company in securities, and the purchase of additional securities was approved.

May 22, 1951 - Continued

9. The execution by the officers of the company of a trust agreement covering the company's stock in the Fort Worth Air Terminal, Inc., was approved.

10. The report of the committee appointed to negotiate for the termination of the lease agreement with The Lansing Foundation, Inc., was received and ordered filed, and the officers of the company were authorized to execute an agreement embodying the terms of the report.

11. The Manufacturers Trust Company, of New York City, was designated a custodian depositary for securities owned by the company.

12. The exchange of airplane N24927 for N927E between Convair and Airfleets, was approved.

13. Mr. Fontaine reported briefly on the Convair-Liner program, indicating that a further report would be presented to the Board at its next meeting.

14. Mr. Lanphier reported briefly on the B-36 program.

15. Mr. Cohu reported on general corporate matters, including sales prospects, new business secured and the status of manufacturing schedules.

16. It was announced that the next Director's meeting will be held in San Diego, on the call of the Chairman.

June 12, 1951 - Executive Committee Meeting

1. Progress in connection with the engineering facilities at San Diego was discussed and general informal concurrence with the program was expressed.

2. The requirements for additional procurement relating to B-36 airplanes was discussed. It was the sense of the discussions that as a general policy these requirements should be stated as geared to the B-58 rather than to the B-36 airplane.

June 27, 1951 - Executive Committee Meeting

1. The appointment of Mr. J. L. Fechter as Assistant Division Manager of the San Diego Division was authorized.

June 29, 1951 - Board of Directors Meeting

1. A quarterly dividend of 35¢ a share payable August 24, 1951 to stockholders of record August 14, 1951, was declared.

2. The minutes of the meetings held on May 22, June 12 and June 27, 1951, were approved.

3. The appointment of Mr. M. L. Hicks as Assistant Division Manager, Fort Worth Division, effective May 8, 1951, was ratified.

4. The appointment of Mr. D. C. Burrows as Assistant Division Manager, Guided Missile Division, effective May 21, 1951, was ratified.

5. The authority of Mr. D. C. Burrows to represent the company in its relations with the Texas Unemployment Compensation Commission was revoked, and the appointment of Mr. J. C. Felix for the same representation was authorized.

6. The appointment of Mr. Raymond S. Pruitt as attorney to represent the company in tax matters before the Bureau of Internal Revenue was revoked.

7. Pursuant to Article VIII, Section 5, of the Bylaws, the Chairman of the Board, the President, or the Vice President and General Manager, were authorized to appoint Division Controllers or other subordinate officers exclusive of Division Managers and Assistant Division Managers.

8. The execution of Supplemental Agreement No. 53 to Contract AF33(038)-2182 for 66 additional engine nacelles as spares for airplanes beginning with number 135, in the total amount of $1,576,403.62, was approved.

9. The officers were given qualified authority to negotiate and execute a construction contract for a San Diego Division engineering building at an approximate cost of $2,600,000,

10. Messrs. Sebold and Lanphier reported on the B-36 and B-58 programs.

11. The Chairman reported on the investment of funds of the company in securities.

12. Mr. Watts reported on the status of the Pomona project.

13. The financial statements as of May 31, 1951, were received, discussed and filed.

14. A contribution up to $5,000 to the Air Force Association to apply on expenses incident to the forthcoming 1951 convention of that association, was approved.

15. Messrs. Robert Heller and G. B. Allen of Robert Heller & Associates, Inc., made a progress report on the work being performed by that firm, after which the officers of the company were authorized to supplement the current agreement with Robert Heller & Associates, Inc., with an agreement providing for the continued employment of that firm for a period of 6 months beyond July 15, 1951, on the same terms as the existing agreement.

16. Mr. Biron reported on wage and salary matters.

17. Mr. Naish reported on sales of commercial and military airplanes.

18. Messrs. Cohu and Fontaine reviewed the cost estimates applicable to the Model 340 Convair-Liner project.

June 29, 1951 - Continued

19. A San Diego Division budget for capital expenditures for the 3rd quarter of the fiscal year 1951 was referred to the Executive Committee with power to act and with the suggestion that the amount authorized to be expended should be limited to $750,000.

20. Mr. Cohu reported on general corporate matters.

21. It was announced that the next director's meeting will be held on the call of the Chairman.

July 2, 1951 - Executive Committee Meeting

1. Mr. G. B. Allen of Heller Associates, expressed the opinion of that firm to the effect that the best interests of the company would be served by requesting the Wage Stabilization Board to act on a petition as now filed before it and expressed the further view that added wage and salary studies should be made to the end that subsequent applications may be made for adjustments.

2. A budget of $750,000 for San Diego Division capital expenditures during the third quarter of the fiscal year 1951 was approved with qualifications.

July 12, 1951 - Executive Committee Meeting

1. Execution of Amendment No. 2 dated June 13, 1951 to Letter of Intent for Contract NOas 51-936 by Mr. Dudley H. Digges was approved.

2. Resolutions controlling contract signing authority were amended to provide signing authority for the Manager of Contracts, Guided Missile Division, and to more clearly state the limitations of signing authority in connection with purchase orders and subcontracts.

3. There was a general discussion of the company's affairs.

July 23, 1951 - Executive Committee Meeting

1. It was the consensus of opinion that in connection with the construction of the San Diego Division engineering building a statement of expenses to be furnished by the contractor and a report of the status of negotiations regarding a Necessity Certificate should be sent to the Chairman of the Board for his recommendations.

2. There was a general discussion of company projects.

July 31, 1951 - Executive Committee Meeting

1. Mr. Biron was authorized to grant a wage increase of 4% to all employees receiving wages or salaries of $15,000 or less per year.

2. The progress of the B-60 airplane project at Fort Worth was discussed.

3. There was a discussion of the general activities of the company.

July 31, 1951 - Continued

4. It was stated that it was tentatively planned to have the next directors meeting on August 24, 1951 at the Beverly Hills Hotel in Los Angeles.

August 3, 1951 - Executive Committee Meeting

1. Mr. C. R. Irvine was appointed Assistant Division Manager, Guided Missile Division.

2. Mr. Cohu reported that $87,721.77 in capital expenditures had been committed under the third quarter budget for the San Diego Division.

August 9, 1951 - Executive Committee Meeting

1. This was a joint meeting with the Management Committee at which various company projects were discussed.

August 17, 1951 - Executive Committee Meeting

1. There was a discussion of the general activities of the company.

August 24, 1951 - Board of Directors Meeting

1. A supplemental appropriation of $4,000 to cover special events was approved for the advertising budget for the fiscal year 1951.

2. The minutes of the meetings held on June 29, July 2, July 12, July 23, July 31, August 3, August 9 and August 17, 1951 were approved.

3. A proposal to amend the Bylaws was laid on the table until the next meeting of the Board.

4. The proposal to rescind the action which authorized the exchange of Convair-Liner airplane No. N24927 belonging to the company, for Convair-Liner airplane No. N927E belonging to Airfleets was referred to the Executive Committee with power to act.

5. The officers of the company were authorized to renew the company's permit to do business in the State of Texas.

6. The Chairman reported on the investment of funds of the company in securities.

7. The agreement with Robert Heller & Associates dated as of February 21, 1951 interpreting the understanding with reference to the expense allowances for Heller employees assigned to the company and their families was ratified, and the temporary employment from August 1, to approximately October 15, 1951 of one additional man under the agreement at a monthly rate of $4000 plus expenses, was authorized.

8. The financial statements as of June 30 and July 31, 1951 were received, discussed and filed.

August 24, 1951 - Continued

9. Mr. Rockefeller reported on the production status at the Fort Worth and San Diego Divisions, and Mr. Watts reported on a proposed year's acquisition of tideland areas of approximately 126 acres on Harbor Drive, San Diego, to afford an expansion area for San Diego Division operations.

10. The Chairman and Mr. Rockefeller reported on the construction of the new San Diego Division engineering building and the status of negotiations for the obtaining of a Necessity Certificate for this expenditure.

11. The Chairman reported on the status of the Pomona project.

12. Salaries of several officers were adjusted within the permissive 10 percent limits of existing regulations.

13. The following appropriations were approved:

	Amount
a. For commercial research for the remainder of the current fiscal year	$100,000
b. For the purchase or lease of a twin-engine Beechcraft airplane for company use	as required

14. It was announced that the next director's meeting will be held on the call of the Chairman.

September 7, 1951 - Executive Committee Meeting

1. An appropriation of $45,000 was approved for a portable Radar and Radio Check-out Building at the San Diego Division.

2. The officers were authorized to place orders in the approximate amount of $650,000 for critical material, such orders to be subject to cancellation or assignment without substantial cost if the expenditures are not approved by the Board at its next meeting.

3. The action taken at the May 22, 1951 Board Meeting which authorized the exchange of Convair-Liner airplane No. N24927 for Convair-Liner airplane No. N927E was rescinded.

October 4, 1951 - Executive Committee Meeting

1. Problems relating to the Interim Interceptor, the NEBO and the Modification Center were discussed.

2. Mr. Biron reported on union negotiations at Fort Worth Division.

3. The replacement of water piping and fixtures in Building 19 San Diego Division, at an approximate cost of $61,000 was approved.

4. Mr. Cohu reported on the measures currently being utilized to seek the removal of price ceilings on airframes.

October 9, 1951 - Board of Directors Meeting

1. A quarterly dividend of 35¢ a share payable November 23, 1951, to stockholders of record November 13, 1951 was declared.

2. The Chairman together with Mr. Cohu reviewed the general nature of current company programs and the Chairman further reviewed the general financial condition of the company, the earnings prospects, and the effect of taxes thereon so far as presently known.

3. The Chairman reported on the investment of funds of the company in securities.

4. Mr. Allen of Heller Associates reported that the study of corporate management is nearing completion and it is expected that a written report with recommendations will be ready for the Board prior to its next meeting.

5. Mr. Cohu reported that production at Fort Worth Division was on schedule. He further outlined the scope of orders presently on hand, and gave estimates on the probable extent of requirements under newly received orders.

6. The minutes of the meetings held on August 24, September 7 and October 4, 1951 were approved.

7. The authority of Mr. Emmett A. McCabe to execute contracts in connection with Public Relations and Advertising was revoked, and resolutions were adopted which authorized the limited execution by the Assistant to the President, Mr. E. F. Jones, or the Manager of Public Relations, of contracts in connection with Public Relations and the limited execution by the Assistant to the President, Mr. E. F. Jones, or the Manager of Advertising and Community Relations, of contracts in connection with advertising.

8. Resolutions were adopted designating Bank of America, Pomona, California, as depositary for a Guided Missile Division Special Bank Account for the disbursement of funds on checks signed jointly by signatories designated by Buttress & McClellan, Inc., and the company.

9. Mr. Fontaine reported on the Interceptor program and on the progress in the construction of the new engineering building at San Diego.

10. Mr. Sebold pointed out receipt of a Government Award on turbo-prop versions of the Model 340 airplane and further outlined the facilities acquisition program required in connection with the NEBO project.

11. Mr. Ryan reported on the Modification Base program.

12. A San Diego Division fourth quarter capital expenditures budget aggregating $2,100,000 was approved.

13. Messrs. Lanphier, Fontaine and Cohu described the steps currently being taken to endeavor to channel available engineering time to the accomplishment of programs of paramount importance to the national defense, taking into particular consideration the time elements involved.

October 9, 1951 - Continued

14. Mr. Biron reported on the status of industrial relations matters at Fort Worth.

15. Mr. Naish reported on current negotiations for Model 340 airplanes and the need for extended authority in respect to prices on orders beyond the 30 airplanes covered by the minutes of the April 16, 1951 meeting. The price which had been established for the 30 airplanes was approved for any order beginning below the 30th airplane and extending beyond that number. Mr. Naish further reported briefly on commercial sales prospects in Europe.

16. Mr. Miller reviewed the prospective requirements of the company under its Credit Agreement, and discussed the financial statements as furnished to the directors.

17. Mr. Watts reported on the status of the Pomona project.

18. The Chairman was authorized to take such action as he determines to the interest of the company in the selection of additional insurance brokers.

19. Action in connection with the proposed amendments of the Bylaws was postponed until the next Board meeting.

20. It was announced that the next directors' meeting will be held on the call of the Chairman.

October 10, 1951 - Executive Committee Meeting

This was a joint meeting with the Management Committee.

1. Messrs. Allen, Field and McBride of Heller Associates, reported on the activities of their group in respect to the company divisions.

October 16, 1951 - Executive Committee Meeting

1. Mr. Fontaine reviewed the Model 340 program.

2. Mr. K. F. Leaman, San Diego Division Manager, conducted the committee on a tour of those portions of the factory in San Diego where the Model 340 Convair-Liner is produced.

October 22, 1951 - Executive Committee Meeting

1. The Resolutions covering a Special Bank Account with the Bank of America at Pomona were amended to modify certain requirements of the bank with reference to deposits and checks.

2. Adjustments were made in salaries of certain officers and employees which adjustments conformed with applicable Salary Stabilization Board regulations.

3. The appointment of J. E. Arnold as Division Manager of the Daingerfield Division was approved and his salary was fixed.

October 31, 1951 - Executive Committee Meeting

1. The prices set forth in the minutes of the April 16, 1951 Board Meeting for Model 340 airplanes were extended to apply up to and including the 55th Convair-Liner over the original 100 Convair-Liners scheduled to be built and further extended to apply to any one order beginning below the 155th airplane and extending beyond that number.

2. The resolutions controlling signing authority were amended to provide contract signing authority for any Manager of Materials and any Assistant Manager of Materials.

November 13, 1951 - Executive Committee Meeting

1. Mr. Cohu reviewed the current commercial sales status.

2. Mr. Cohu reported on the status of the interim interceptor program.

3. Mr. Watts reported on the developing shortage in thin gauge magnesium sheets and the steps being taken to develop additional sources of supply.

November 21, 1951 - Executive Committee Meeting

1. Mr. Ryan reported on capital expenditure requirements for the fiscal year 1952.

2. Mr. Ryan reported on the construction status of the Pomona plant and on other facilities at Pomona being prepared for temporary use by the company.

3. Mr. Fontaine reported on the construction status of the San Diego Division engineering building.

4. Mr. Naish reported that a Letter of Intent for 8 Convair-Liners from National Airlines increased sales of Model 340 airplanes to about 135 and that prospective engine procurement might accelerate production and delivery.

November 26, 1951 - Board of Directors Meeting

1. The minutes of the meetings held on October 9, October 10, October 16, October 22, October 31, November 13 and November 21, 1951 were approved.

2. A resolution was adopted authorizing the designation of employees of the Industrial Relations Department to execute agreements with those employees who are involved in Intra and Inter-Division transfers and with those persons to be employed who will incur reimbursable travel and moving expenses in relocating at the place of employment, which agreements will set forth the conditions of such transfers and reimbursements.

3. The Chairman reported on the investment of the funds of the company in securities. The officers of the company were authorized to make investments relating to the oil industry in an amount aggregating approximately $500,000 and a committee composed of the Chairman and Messrs. Shaw and McDonnell was appointed to administer such

investments, with full power to act.

4. Mr. Miller presented the financial statements as of September 30 and October 31, 1951 which were received, discussed and filed, and there was a discussion of 1951 year-end adjustments and forecasts for the fiscal year 1952.

5. Production and sale at the current price of the Model 340 Convair-Liner to the extent heretofore established by the Executive Committee was approved until the next meeting of the Board.

6. Mr. Naish reported on the Model 340 Convair-Liner program.

7. Mr. Biron reported on the current status of industrial relations matters.

8. Mr. Sebold reported on the construction of the new San Diego Division engineering building.

9. Mr. Sebold presented a proposed appropriation for the 1952 Preliminary Design, General and Commercial Engineering Research Budget. The budget was approved in principle subject to further review at the next meeting of the Board, with approval of interim commitments aggregating $200,000.

10. Mr. Sebold reported on the NEBO program.

11. Mr. Ryan reported on the Modification Base program.

12. Mr. Ryan reported on the status of the Pomona project.

13. A San Diego Division budget for capital expenditures aggregating $1,773,737.04 for the fiscal year 1952 was approved, subject to review at the next meeting.

14. Mr. Fontaine reported on the Interceptor program.

15. Mr. Cohu reported on the progress being made by the company.

16. Discussion was had of proposed 1952 contributions, including $5,000 to the James Forrestal Research Center, Princeton University, and $5,000 to be divided between the West Coast Chapter of the Arthritis and Rheumatism Foundation and the Hospital for Special Surgery, New York City. No action was taken.

17. Mr. Allen, of the Heller Associates, submitted a schedule of proposed duties and responsibilities of the Vice President and General Manager and a report on top management organization in which there was recommended the appointment of a temporary Planning and Programming Committee, with the suggestion that such committee should function only so long as the Chairman of the Board deems necessary.

November 26, 1951 - Continued

The schedule and the report were received, discussed and filed. The recommendation with reference to the appointment of a Planning and Programming Committee was approved, and the Chairman thereupon appointed a Planning and Programming Committee composed of Messrs. Rockefeller (Chairman), Fontaine and Lanphier.

18. Mr. Thomas G. Lanphier, Jr., was elected a Vice President and Assistant to the President, reporting to the President, and his salary was fixed.

19. Action in connection with the proposed amendments of the Bylaws was postponed until the next meeting of the Board.

20. It was announced that the next directors meeting will be held on the call of the Chairman.

December 19, 1951 - Executive Committee Meeting

This was a joint meeting with the Management Committee.

1. The Manager of Expediting was authorized to execute service agreements with expediters and any such agreements previously executed were approved.

2. The request of Hughes Tool Company, for a transfer effective December 31, 1951 of lease for Model 240 airplane No. N24927 from Hughes Aircraft Company, a division of Hughes Tool Company, to Hughes Aircraft Company, a Delaware corporation, was approved subject to the approval of the form of transfer by the General Counsel of this company.

3. Reports were received on the current status of project submissions to the Air Materiel Command and to Military procurement offices in Washington.

December 27, 1951 - Executive Committee Meeting

1. The Committee members made an inspection tour of the new San Diego Division engineering building and of the Convair-Liner 340 production line.

January 8, 1952 - Executive Committee Meeting

1. A contribution of $2500 to Southwestern Clinic and Research Institute, 2430 East 6th Street, Tucson, Arizona, was approved.

2. Mr. Rockefeller reported on the present status of the B-36, the B-60 and the Hustler programs.

January 28, 1952 - Board of Directors Meeting

1. The minutes of the meetings held on November 26, December 19, December 27, 1951 and January 8, 1952, were approved.

2. An ordinary quarterly dividend of 35¢ a share and a special dividend of 20¢ a share, both payable February 27, 1952 to stockholders of record February 15, 1952, were declared.

3. The officers of the company were authorized to employ Georgeson and Co. to assist with the solicitation of proxies for the forthcoming annual meeting of stockholders.

4. The issuance of the Annual Report including certified financial statements for the fiscal year ended November 30, 1951, as prepared for distribution to stockholders, was approved.

5. The execution of a proxy for use at the Manufacturers Aircraft Association annual meeting was ratified.

6. The resignation of Mr. J. P. Syren as an Assistant Treasurer of the company was accepted and Mr. R. H. Stevens, presently Manager of Budgets, Guided Missile Division, was elected as an Assistant Treasurer of the company.

7. The Chairman reported on the investment of the funds of the company in securities and on investments relating to the oil industry, including drilling operations, and the officers were authorized to execute a consultation and supervision agreement with Mr. Dale Snow.

8. Mr. Root presented a printer's layout of the Annual Report for 1952.

9. The officers of the company were authorized to supplement the agreement with Robert Heller and Associates, Inc., with an agreement providing for the continued employment of that firm for the period to end July 22, 1952 on the same terms.

10. In keeping with the recommendations of the Planning and Programming Committee the following resolutions were adopted:

RESOLVED that the officers of the company be and they hereby are authorized to proceed toward the creation of a fully integrated guided missile activity consisting of research and development, engineering, and manufacturing organizations, and that this operating unit be responsible in line authority to the Vice President and General Manager and functionally to the several Vice Presidents; and be it further

RESOLVED that the Directors, after discussion of the appropriations for preliminary design and general and commercial engineering research, hereby record their views for the guidance of management as follows:

As a general policy, while projects for the future, as distinct from prime products for production, shall not be lost sight of in the use of engineering and scientific personnel, as between

projects or sub-projects that hold real potentialities in the aircraft and guided missile fields and those without such clear evidence as to their future potentialities, the emphasis should be placed on the former; and in balancing such overall use of manpower and facilities, the most emphasis should be put on the project or projects that relate to or are necessary for the proper, efficient, and timely execution of present major prime contracts which the company has with the Armed Services and other customers.

11. Resolutions were adopted reiterating the policy previously expressed to the effect that the company should extend its security program even beyond the requirements of the military services, and instructing the senior officer of the company to give a copy of those resolutions to each of the general officers of the company so that they will not fail to be advised of the directive of the Board.

12. Mr. Fontaine reported on the progress being made by the company; the Interceptor program; and on new contract articles which are being requested by the Government relating to bailments, product liability and patents.

13. The Chairman presented a letter redefining the functions of the temporary Planning and Programming Committee and listing the duties of certain officers. Messrs. Naish and Sebold were appointed members of the Planning and Programming Committee and Mr. Fontaine who wished to withdraw as a regular member was appointed an ex-officio member of the committee in addition to the Chairman and the President.

14. Mr. Allen of Heller Associates reported on the study of corporate management being made by that firm.

15. Action in connection with the proposed amendments of the Bylaws was postponed until the next meeting of the Board.

16. Mr. Naish reported on the Model 340 Convair-Liner program.

17. The officers of the company were authorized to sell additional Model 340 Convair-Liners to include the 175th airplane manufactured, or any number of airplanes specified in that order which will include the 175th airplane, with the present prices to continue for 30 days from this date, and thereafter at a base price of $560,000 each, plus escalation, with a maximum price limitation of $620,000 each.

18. Mr. Naish reported that the Navy had declined to include in the facilities contract for the construction of the Pomona plant, a provision that would enable us to recover disallowances on plant construction expenditures, and the officers of the company were authorized to accept, to the extent necessary, the Navy conditions with respect to such disallowances.

January 28, 1952 - Continued

19. Mr. Sebold reported that the new San Diego Division engineering building had been essentially completed and that the contractors expect to have all construction work completed by February 15, 1952.

20. Mr. Sebold reported on the NEBO program.

21. The officers of the company were authorized to commit the company for an additional $125,000 for the modification of the Southern California Cooperative Wind Tunnel, and also to commit the company to participate in a payment to the city of Pasadena as an advance on electrical energy charges, with the understanding that particular consideration be given to the interest rate to be paid by the city on this advance.

22. The proposed appropriation aggregating $863,000 for the 1952 Preliminary Design, General and Commercial Engineering Research Budget was approved.

23. Mr. Ryan reported on the Modification Base program and on the status of the Pomona project.

24. Mr. Biron reported on the current status of industrial relations matters and a special committee composed of the Chairman and Messrs. Hertz and Johnston was appointed to study the regulations established by the Salary Stabilization Board and the company's pending petition which applies to the salaries of executive officers.

25. The following contributions were approved:

(a)	Community Chest at San Diego	$20,000
(b)	Community Chest at Fort Worth	20,000
(c)	Community Chest at Pomona	1,000
(d)	James Forrestal Research Center, Princeton University	5,000
(e)	San Diego section of the Southern California Chapter of The Arthritis and Rheumatism Foundation	2,500

26. Messrs. Sebold and Esenwein presented chart talks relating to Fort Worth Division current and prospective production projects designed to maintain employment at the most efficient level for utilization of the Division's facilities.

27. The next directors meeting was tentatively set to be held on Monday, March 3, 1952, at San Diego.

February 20, 1952 - Executive Committee Meeting

This was a joint meeting with the Management Committee.

1. Resolutions were adopted establishing a General Office bank account with National Bank of Tulsa, Tulsa, Oklahoma.

March 3, 1952 - Board of Directors Meeting

1. The resignation of Mr. Sidney G. Down as a Director was received and accepted.

2. Mr. Joseph T. McNarney was elected a Director and a member of the Executive Committee.

3. The resignation of Mr. Cohu as President, effective April 1, 1952, was received and accepted and he was elected Vice Chairman of the Board, effective April 1, 1952.

4. Mr. Joseph T. McNarney was elected President, effective April 1, 1952 and his salary was fixed pending negotiation of an employment contract.

5. The minutes of the meetings held on January 28 and February 20, 1952 were approved.

6. The following action was taken relative to the annual stockholders meeting scheduled to be held at San Diego on April 21, 1952:

   a. March 21, 1952 was fixed as the record date for determining stockholders entitled to receive notice of and to vote at the meeting.

   b. Messrs. Edmund Burke and David S. Devlin were appointed Judges of Election.

   c. Messrs. Odlum, Cohu, McNarney, Inch and McDonnell were appointed as a Proxy Committee.

   d. Arthur Young & Company was nominated as independent auditors of the company for the fiscal year ending November 30, 1952.

   e. The Executive Committee was authorized to approve the Notice Of The Annual Meeting of Stockholders, the Proxy and the Proxy Statement subject to such changes as may be required by either General Counsel or the Securities and Exchange Commission, and to direct their being sent to stockholders as of the fixed record date.

7. The action of Mr. Cohu in appointing Mr. William E. Dahl as an Assistant Treasurer, effective February 22, 1952, was ratified.

8. The financial statements as of December 31, 1951 and January 31, 1952 were received discussed and filed.

9. The Chairman reported that the application for 6½% wage and salary increase which had been filed with the Salary Stabilization Board had been amended to provide that the increase would cut off at the $15,000 annual salary level and Mr. Biron reported on the current status of industrial relations matters.

March 3, 1952 - Continued

10. The salaries of Messrs. R. A. Bussey, Assistant Secretary and Assistant Treasurer, and J. C. Newburn, Assistant Division Manager, Guided Missile Division, were increased effective January 1, 1952 to conform with the general wage and salary increase recently authorized.

11. The Chairman reported on the investment of funds of the company in securities and in oil projects.

12. Mr. Rockefeller reported on matters receiving the consideration of the Planning and Programming Committee.

13. Mr. Cohu reported on aircraft sales possibilities in South America.

14. Mr. Naish reported on the Model 340 Convair-Liner program. The action of the officers in extending to two airlines an additional 30 days in which to purchase Convair-Liners at prices which were in effect in February 1952, was ratified, and a base price of $546,000 each, plus escalation including the recently authorized 6½% wage increase, with a maximum price limitation of $620,000 each, was authorized for additional Convair-Liner airplanes.

15. Mr. Sebold reported on the current status of engineering projects.

16. Mr. Fontaine reported on the Interceptor program.

17. The action of Mr. Gage H. Irving, Division Manager, in appointing Mr. H. W. Rickert Assistant Division Manager, Guided Missile Division, effective March 1, 1952, was ratified.

18. Action in connection with the proposed amendments of the Bylaws was postponed until the next meeting of the Board.

19. Mr. Fontaine reported on the current operations of the company and on the status of the Pomona project.

20. Mr. Ryan reported on the Terrier program.

21. Mr. Allen of Heller Associates reported on the study of corporate management being made by that firm.

22. The Chairman announced that the next meeting of the Board would be held near the end of March 1952.

March 6, 1952 - Executive Committee Meeting

1. The following action was taken relative to the annual stockholders meeting scheduled to be held in San Diego on April 21, 1952:

   a. Messrs. Floyd B. Odlum, LaMotte T. Cohu, Joseph T. McNarney, John D. Hertz, George H. Howard, S. R. Inch, Oswald L. Johnston, I. M. Laddon, Donald N. McDonnell, R. C. Patterson, Jr., W. C. Rockefeller and George H. Shaw were nominated as candidates for election as directors.

March 6, 1952 - Continued

b. The Notice of the Annual Meeting, the Proxy and the Proxy Statement, subject to such changes as may be required, were approved and their distribution to stockholders was authorized.

March 28, 1952 - Board of Directors Meeting

1. The financial statements as of February 29, 1952 were received, discussed and filed.

2. A committee composed of Messrs. Rockefeller (Chairman), Hertz and McDonnell was appointed to consider factors relating to a proposed merger of Convair and Atlas into Kaiser-Frazer Corporation, and to report thereon at a subsequent meeting.

3. The minutes of the meetings held on March 3 and March 6, 1952 were approved.

4. The resignation of Mr. V. C. Schorlemmer as Secretary and Treasurer was received and accepted.

5. Mr. Edmund Burke was elected Secretary and his salary was fixed.

6. Mr. L. W. Miller was elected Acting Treasurer in addition to his duties as Vice President without additional compensation.

7. The following appointments were ratified and salaries of the appointees were fixed:

   Mr. Russell D. O'Neal as Assistant Division Manager, Fort Worth Division, effective March 7, 1952.

   Mr. B. F. Coggan as Division Manager, San Diego Division, effective April 1, 1952.

   Mr. K. F. Leaman as Assistant Division Manager, Guided Missile Division, effective April 1, 1952.

   Mr. A. W. Morgan as Assistant Division Manager, San Diego Division, effective April 1, 1952.

8. A committee composed of Messrs. Cohu (Chairman), Inch and Laddon was appointed to consider pensions and employment contracts.

9. The action of Mr. Robert B. Watts in executing Convair's proxy for the annual meeting of Airfleets, Inc., was approved.

10. The action of the officers in amending the company's Group Annuity Policy to provide a Cash Refund Joint and Survivor Annuity as an optional annuity form; and the actions of the officers in executing prior amendments, Riders numbered 1, 2, 3, 6, 7, 8, 11, 12 and 13, to the Group Annuity Policy, were ratified.

11. The Chairman reported on the investment of funds of the company in securities and in oil projects.

March 28, 1952 - Continued

12. The following contributions were approved:

		Amount
a.	Red Cross - San Diego	$12,500
b.	Red Cross - Fort Worth	6,000
c.	Red Cross - Pomona	500
d.	Pomona Valley Community Hospital	5,000
e.	Fort Worth Hospital Fund	12,500
f.	Trinity Improvement$ Association-Fort Worth	2,000

13. Action in connection with the proposed amendments of the Bylaws was postponed until the next meeting of the Board.

14. Mr. Fontaine reported on the current operations of the company.

15. The Chairman announced that the annual directors meeting will be held in San Diego on Monday, April 21, 1952, immediately following the annual meeting of stockholders.

April 21, 1952 - Stockholders Meeting

1. The Chairman requested the stockholders present to give their names to the Secretary, if they had not already done so and if any of the stockholders wished to change their proxies, they should inform the Secretary immediately.

2. The notice of the meeting was presented and ordered filed.

3. An affidavit was presented which showed that a notice of the annual meeting, a proxy, and a proxy statement were mailed to each stockholder on March 26, 1952.

4. A list of stockholders as of March 21, 1952 was presented.

5. Messrs. Edmund Burke and D. S. Devlin qualified as Judges for the purposes of the meeting.

6. The Judges reported that 1,913,878 fully-paid and 5,438 partly-paid shares were represented by the stockholders present in person, or represented by proxy. Thereupon, the Chairman declared that a quorum existed.

7. The minutes of the annual meeting of the stockholders held on April 16, 1951 was approved.

8. The Chairman announced that the minutes of the meetings of the Directors and the Executive Committee held since the date of the previous annual meeting were available at the meeting in the event any stockholder cared to examine them.

9. The following were elected directors of the company:

March 28, 1952 - Continued

Messrs. Floyd B. Odlum, LaMotte T. Cohu Joseph T. McNarney, John D. Hertz, George H. Howard, S. R. Inch, Oswald L. Johnston, I. M. Laddon, Donald N. McDonnell, R. C. Patterson, Jr., W. C. Rockefeller and George H. Shaw.

10. Arthur Young & Company was elected independent auditors of the company for the fiscal year ending November 30, 1952.

11. The Chairman discussed matters of general interest to the stockholders after which he invited all stockholders present to attend a luncheon, see motion pictures entitled "Hydrodynamics Review" and "Project Skate" and thereafter make an escorted tour through portions of the San Diego Division plant.

April 21, 1952 - Board of Directors Meeting

1. The election by the stockholders of Messrs. Odlum, Cohu, McNarney, Hertz, Howard, Inch, Johnston, Laddon, McDonnell, Patterson, Rockefeller and Shaw as directors for the ensuing year was announced.

2. The election by the stockholders of Arthur Young & Company as independent auditors for the fiscal year ending November 30, 1952, was announced.

3. A quarterly dividend of 40 cents a share, payable May 23, 1952 to stockholders of record May 12, 1952, was declared.

4. The minutes of the meeting held on March 28, 1952, were approved.

5. Messrs. Cohu, Inch, Laddon, McNarney and Rockefeller were appointed as members of the Executive Committee.

6. The Chairman and Messrs. Hertz and McDonnell were reappointed a committee to administer the investment of funds of the company in securities.

7. The Chairman and Messrs. Shaw and McDonnell were reappointed a committee to administer the funds of the company in oil projects.

8. Messrs. Rockefeller, Hertz and McDonnell were reappointed a committee to consider factors relating to a proposed merger of Consolidated Vultee Aircraft Corporation and Atlas Corporation into Kaiser-Frazer Corporation and to report thereon at a subsequent meeting.

9. Messrs. Cohu, Inch and Laddon were reappointed a committee on pensions and employment contracts.

10. The following officers were elected to hold office until the next annual meeting of the Board of Directors, or until their successors are elected and their salaries, with certain exceptions, were fixed:

Name	Office
Floyd B. Odlum	Chairman of the Board
LaMotte T. Cohu	Vice Chairman of the Board
Joseph T. McNarney	President
A. P. Fontaine	Vice President and General Manager
R. H. Biron, Jr.	Vice President
T. G. Lanphier, Jr.	Vice President and Assistant to the President
L. W. Miller	Vice President and Acting Treasurer
J. V. Naish	Vice President
R. O. Ryan	Vice President
R. C. Sebold	Vice President
Robert B. Watts	Vice President and General Counsel
G. T. Bovee	Controller
Edmund Burke	Secretary
George C. Bond	Assistant Secretary
M. L. Hicks	Assistant Secretary
R. S. Pruitt	Assistant Secretary
R. A. Bussey	Assistant Secretary and Assistant Treasurer
R. C. Brockway	Assistant Treasurer
William E. Dahl	Assistant Treasurer
D. S. Devlin	Assistant Treasurer
E. B. Scott	Assistant Treasurer
R. H. Stevens	Assistant Treasurer

11. The financial statements as of March 31, 1952 were received, discussed and filed.

12. Mr. L. W. Miller, Vice President, was authorized to execute a supplement to the Credit Agreement the essential features of which are as follows:

    The term of the agreement will be extended to April 30, 1955.

    The aggregate amount that may be borrowed will be increased from $50,000,000 to $75,000,000.

    4% will be the maximum rate of interest that may be charged on amounts borrowed in excess of $50,000,000 prior to April 30, 1954 and on all amounts borrowed after April 30, 1954.

13. Pursuant to Article VIII, Section 5, of the Bylaws of the company, the President was authorized to appoint or delegate the appointment to other officers of the company of Assistant Division Managers, Assistant Secretaries, Assistant Treasurers, Assistant Controllers and Division Controllers or other subordinate officers of the company whose compensation does not exceed $25,000 per annum.

14. An appropriation of $300,000 for the development of the Charactron project during the remainder of the fiscal year was authorized.

15. The Chairman reported on the investment of funds of the company in securities and in oil projects.

16. The resolutions controlling contract signing authority were amended to eliminate the Treasurer as a contract signatory, and to provide:

    a. Sales contract signing authority limited to $100,000 for the following:

       Any Assistant Division Manager
       Division Administration Manager, Guided Missile Division

    b. Subcontract signing authority limited to $500,000 for the following:

       Any Assistant Division Manager
       Division Administration Manager, Guided Missile Division

    c. Subcontract signing authority limited to $20,000 for the following:

       Any Assistant Chief of Subcontracting

    d. Materials purchasing signing authority limited to $500,000 for the following:

       Any Assistant Division Manager
       Division Administration Manager, Guided Missile Division

    e. Construction, Maintenance and Repair contracts limited to $50,000 for the following:

       Any Assistant Division Manager

17. Mr. Cohu, Chairman of the committee on pensions and employment contracts, reported that the committee had not completed its study on pensions and upon the recommendation of the committee the management was authorized, subject to ratification by the Board, to execute certain term employment contracts if approved by the President and the Chairman of the Board.

18. The execution of proxies for use at the 1952 annual meetings of stockholders of United Air Lines, Inc., and Atlantic Refining Company were ratified, and the execution of a proxy for use at the 1952 annual meeting of stockholders of Sunray Oil Corporation was authorized.

19. Mr. Rockefeller, Chairman of the committee appointed to consider the factors relating to a proposed merger of Convair and Atlas into Kaiser-Frazer Corporation stated that the committee was not ready to make a report.

20. Mr. Robert Heller, of Heller Associates, made an interim report on the study of corporate management being made by that firm.

21. Mr. Fontaine and other Vice Presidents reported on the operations of the company.

April 21, 1952 - Continued

22. There was a general discussion of the Model 340 program.

23. An appropriation of $100,000 for manufacturing research during the remainder of the fiscal year was approved.

24. It was announced that the next directors meeting will be held on the call of the Chairman.

May 28, 1952 - Executive Committee Meeting

1. The officers were authorized to use an amount not to exceed $89,375, representing the value of items cancelled in previous capital expenditure appropriations, for additional investment in the construction of underground facilities on the San Diego tideland ramp area.

July 24, 1952 - Board of Directors Meeting

1. The minutes of the meetings held on April 21 and May 28, 1952 were approved.

2. The resignation of Mr. R. S. Pruitt as Assistant Secretary, effective July 31, 1952, was received and accepted.

3. A quarterly dividend of 40¢ a share, payable August 29, 1952 to stockholders of record August 15, 1952, was delcared.

4. Mr. Fontaine was elected Executive Vice President, and he was transferred to that position from Vice President and General Manager, effective this date.

5. Action was taken to provide that the Chairman, if present, and otherwise the President shall preside over meetings of the Executive Committee, or in their absence a presiding officer for the meeting shall be selected by the members present.

6. The action of the officers in qualifying the company to do business in the State of Colorado was ratified.

7. The officers of the company were authorized to qualify the company to do business in the States of Kansas, Nebraska, Montana, New Mexico, Oklahoma and Wyoming, or such other states as may be deemed appropriate by the General Counsel, in view of investments in those states.

8. The action of General McNarney in executing an agreement with Robert Heller and Associates, providing for the continued employment of that firm to May 31, 1953, was ratified.

9. Existing resolutions controlling contract signing authority were rescinded and resolutions for the same purpose to conform with the current organization structure were adopted.

10. An employment contract with the President was approved.

11. The Chairman was authorized to enter into a consultant contract with Mr. Laddon for the period from April 21, 1952 to November 30, 1952.

July 24, 1952 - Continued

12. The officers of the company were authorized to sell to the U. S. Government, the land acquired in the Pomona area for the Guided Missile Division plant.

13. It was stated that the committee previously appointed to consider factors relating to a proposed merger of Convair and Atlas into Kaiser-Frazer Corporation had no report to offer at this meeting.

14. The financial statements as of April 30, May 31 and June 30, 1952 were received, discussed and filed.

15. A proof of the mid-year report to stockholders was approved and its issuance and distribution was authorized.

16. The Chairman reported on the investment of funds of the company in securities.

17. The Chairman reported on the investment of funds of the company in oil projects, and the officers were authorized to commit the company for an additional amount of approximately $500,000 in such investments.

18. The officers of the company were authorized to engage in negotiations relating to a sale of the administration building in San Diego.

19. The recommendations of the committee on pensions and employment contracts were approved.

20. The action of the officers of the company in approving contributions to the Air Force Association aggregating $5700 was ratified.

21. A base price of $597,000, with appropriate escalation provisions covering labor and material factors, was established on the High Density Version of the Model 340 airplane.

22. The officers of the company were authorized to make a contribution to the Robert Patterson Memorial Fund in an appropriate amount.

23. The President led in the presentation of an extended report on the progress of the company in which report various Vice Presidents and Division Managers participated.

24. The Chairman announced that in the course of the next month there will be an informal meeting of directors in New York City, and that the next formal meeting of the Board will be held in San Diego in mid September 1952 pursuant to the call of the Chairman.

August 27, 1952 - Board of Directors Meeting

1. The minutes of the meeting held on July 24, 1952 were approved.

2. The financial statements as of July 31, 1952, were received, discussed and filed.

August 27, 1952 - Continued

3. The Chairman reported on negotiations for the sale and lease back of building 19 in San Diego, after which the proposed transaction was referred to the Executive Committee with power to act.

4. The Chairman reported on the investment of funds of the company in securities. The investment in Hiller Debentures was discussed.

5. The Chairman reported on the investment of funds of the company in oil projects.

6. The committee appointed to consider factors relating to a proposed merger of Convair and Atlas into Kaiser-Frazer Corporation, reported on the status of its studies without any present recommendations.

7. The President reported on the progress of the company.

8. An employment contract with Mr. Dwight Fisher was approved.

9. Resolutions were adopted in memory of Messrs. David H. Franks and Walter W. Hoffman, and it was ordered that an illuminated copy of each resolution be presented to the bereaved family.

10. The committee previously appointed to administer the investment of funds of the company in securities, was authorized to sell those securities and the resolutions designating Manufacturers Trust Company of New York City as the custodian depositary for such securities, were amended to provide that Manufacturers Trust Company be directed to sell or deliver securities now in the custodian account, upon the written instructions of any one of the following:

    Chairman of the Board
    Vice Chairman of the Board
    President
    Any Vice President

11. It was announced that the next directors meeting will be held on the call of the Chairman.

October 21, 1952 - Board of Directors Meeting

1. The minutes of the meeting held on August 27, 1952 were approved.

2. The financial statements as of August 31 and September 30, 1952 were received, discussed and filed.

3. A quarterly dividend of forty cents a share, payable November 25, 1952 to stockholders of record November 14, 1952, was declared.

4. The resignation of Mr. A. P. Fontaine as Vice President, effective September 30, 1952, was accepted.

October 21, 1952 - Continued

5. The resignation of Mr. Ray C. Ryan as Vice President, effective October 31, 1952, was accepted.

6. The officers of the company were authorized to continue the monthly payment to the Chairman of an expense allowance in the same amount and on the same basis as previously established, pending further action by the Board.

7. Mr. Rockefeller reported on the status of projects in each division.

8. Messrs. Laddon and McDonnell reported on the operation of Hiller Helicopters.

9. The Chairman announced that the next directors meeting will be held on the call of the Chairman.

November 18, 1952 - Executive Committee Meeting

1. Either Mr. Odlum or Mr. Watts was authorized to convey on behalf of the company, all interest of the company in the General Office Building (Building 19) in San Diego and the parcels of land on which this building is situated, for a consideration of not less than $2,500,000, and to execute a lease-back of the property for a term of not to exceed thirty years.

2. The following contributions were approved:

		Amount
a.	United Fund - Fort Worth	$30,000.00
b.	Arthritis and Rheumatism Foundation	30,000.00
c.	Community Chest - San Diego-Pomona-Daingerfield	28,050.00
d.	Lovelace Foundation for Medical Research and Education	20,000.00
e.	Red Cross - San Diego-Pomona-Daingeffield	13,575.00
f.	Pomona Valley Community Hospital	7,500.00
g.	Scripps Memorial Hospital	6,000.00
h.	Air Force Association	5,000.00
i.	Menninger Foundation	2,500.00
j.	University of Colorado	2,500.00
k.	Trinity Improvement Association	2,000.00
l.	Vermont Academy, Saxton Falls, Vermont	2,000.00
m.	Junior Achievement	1,000.00
n.	Unitarian Service Committee	1,000.00
o.	Big Sisters	1,000.00
p.	Congregational Church Service Committee	1,000.00
q.	Uplands Sanitorium	1,000.00
r.	Shriner's Hospital for Crippled Children	1,000.00
s.	Newcomer's Christian Fellowship	1,000.00
t.	World Council of Churches	1,000.00
u.	Mary Knoll Fathers	1,000.00
v.	Mary Knoll Sisters	1,000.00

November 18, 1952 - Continued

w.	YMCA World Services	$1,000.00
x.	YWCA National Board	1,000.00
y.	American Sunday School Union	1,000.00
z.	San Diego Society for Crippled Children	1,000.00
aa.	Save the Children Foundation	1,000.00
bb.	Civil Air Patrol (International Cadet Exchange Program)	500.00
cc.	Freedom's Foundation, Inc.	500.00
dd.	Crusade for Freedom	500.00

3. Merit increases, as indicated in the annual rate of compensation of the following employees, were approved:

	Effective Date	Annual Rate From	Annual Rate To
A. C. Esenwein	August 1, 1952	$27,480.	$30,000.
G. H. Irving	September 15, 1952	25,020.	27,500.
Frank W. Fink	November 1, 1952	25,020.	26,500.

December 12, 1952 - Board of Directors Meeting

1. The financial statements as of October 31, 1952 were received, discussed and filed.

2. The Chairman reported on the investment of funds of the company in securities.

3. The officers were authorized to acquire the stock of San Diego Corporation as a wholly-owned subsidiary and enter into an agreement with that subsidiary under which the company will transfer certain assets to the San Diego Corporation in exchange for 240,000 shares of its capital stock. A special dividend of one-tenth of a share of the capital stock of San Diego Corporation on each share of the outstanding Convair common stock was declared and ordered paid on February 2, 1953 to Convair shareholders of record on January 15, 1953; cash to be paid in lieu of fractional shares on the basis of $11 for each integral share of San Diego Corporation stock.

4. The minutes of the meetings held on October 24 and November 18, 1952 were approved.

5. A proposed letter to be mailed to stockholders with reference to San Diego Corporation and the declaration of the dividend was approved.

6. The Bylaws were amended to restate the duties of various officers, to make minor changes in the phraseology of several sections, and to add a section relating to the indemnification of former directors and officers and certain other persons.

7. Mr. J. V. Naish was elected Executive Vice President and his employment contract was amended to fix his annual compensation at $45,000. effective December 12, 1952.

8. The annual rate of compensation of Mr. J. G. Zevely as Director of Contracts was fixed at $25,000.

9. The committee appointed to consider factors relating to a proposed merger of Convair and Atlas into Kaiser-Frazer Corporation, reported its recommendation that the matter of the proposed merger be abandoned.

10. Mr. Watts reported on the sale and lease-back of the company's administration building in San Diego, the sale of the land acquired in the Pomona area for the Guided Missile plant and the status of Plant 2 facilities.

11. An increase of 6% in the salaries of Edmund Burke, Secretary, and R. A. Bussey, Assistant Secretary and Assistant Treasurer, effective October 6, 1952, to conform with the proposed general increase in salaries, was authorized, subject to any required governmental approval.

12. The officers of the company were authorized to rent safe deposit boxes in Security Trust and Savings Bank, El Cajon, California, and Longview National Bank, Longview, Texas, for the safe storage of duplicate sets of microfilms of the most important company documents, and the officers were authorized to designate those employees who shall have access to the boxes.

13. Bank of America, Five Points Branch, San Diego, was designated as a depositary of funds of the company, limited to $50,000., in an account entitled General Office Disbursement Account, to facilitate the disbursement of certain items which are currently being disbursed by the San Diego Division.

14. The resolutions controlling contract signing authority were amended to establish signing authority for the Director of Contracts, and for subcontracting employees holding the titles Buying Supervisor, Buyer, and Buyer, Subcontract, Fort Worth Division.

15. A report on the study being made by Robert Heller & Associates was passed for subsequent action.

16. Mr. Biron reported on the present status of wage negotiations at the various divisions.

17. Mr. Naish stated that a study is being given to long range capital expenditure needs and a detailed report is expected within the near future. At his request it was voted that the unexpended present balance in capital expenditure appropriations be made available for interim needs.

18. Upon the basis of detailed presentation, an appropriation of $294,250. was approved for the 1953 Manufacturing Research and Development Program, subject to the specific approval of management as to items to be expended.

December 12, 1952 - Continued

19. Mr. Sebold presented a proposed 1953 Preliminary Design, General Engineering and Commercial Engineering Research Budget involving a total expenditure of $703,000. and an anticipated recovery of $191,800., resulting in a requirement of $511,200. An appropriation of $511,200. for this budget was approved.

20. An appropriation of $150,000. was approved for the 1953 Commercial Product Improvement Budget.

21. An appropriation of $165,000. was approved for the 1953 Charactron Project Budget.

22. An appropriation of $461,860 was approved for the 1953 Advertising Budget.

23. Mr. Odlum led a detailed discussion and a chart presentation of the status of the Model 340 airplane program.

24. Mr. Watts read a letter of appreciation received from Mr. and Mrs. R. C. Franks, acknowledging their receipt of the illuminated resolutions in memory of their son, David H. Franks.

25. Mr. Watts reported the receipt of a letter written by Mr. David G. Baird which had reference to the recent sale of the company's administration building in San Diego.

26. Mr. Coggan, with the aid of charts, presented the status of San Diego Division projects. Moving pictures on the same subject had been previously shown to the directors.

27. Mr. Esenwein, with the aid of charts, presented the status of Fort Worth Division projects.

28. General McNarney reported on the progress of the company, with special emphasis in relation to projects in the Guided Missile Division.

29. A contribution of $3000. to the Mary Frances Housley Memorial Fund, Variety Hospital, Miami, Florida, was approved.

30. The next directors meeting was set to be held on Thursday, January 29, 1953 in San Diego.

January 29, 1953 - Board of Directors Meeting

1. A quarterly dividend of 45¢ a share, payable February 25, 1953 to stockholders of record February 13, 1953, was declared.

2. The Board changed from $11. per full share to $16. per full share the cash to be paid in lieu of fractional shares in connection with the distribution as a dividend of shares of San Diego Corporation, which dividend is payable February 2, 1953.

3. The minutes of the meeting of the Board of Directors held on December 12, 1952 were approved.

4. The action of Mr. Robert B. Watts in executing a proxy for use at the annual meeting of the stockholders of Manufacturers Aircraft Association, Inc., held on January 27, 1953, was ratified.

5. The action of Messrs. Robert B. Watts and Edmund Burke in executing a certificate of withdrawal of the authority of the company to transact business in the State of Colorado, was ratified.

6. The resignation of Mr. George C. Bond as an Assistant Secretary was accepted and Mr. Thomas P. Moran was elected as an Assistant Secretary of the company.

7. The resolutions controlling contract signing authority were amended in the following respects:

   (a) Signing authority was established for the holders of the title "Buying Supervisor", limited to $20,000. in any one case, in lieu of the authority now limited to $10,000. value in any one case.

   (b) The title "Chief of Contract Administration, San Diego Division", was eliminated, and the title "Assistant Manager of Contracts, San Diego Division", was substituted therefor.

   (c) The title "Chief of Parts Sales, San Diego Division", was eliminated, and the title "Parts Sales General Supervisor, San Diego Division", was substituted therefor.

8. The bank resolutions pertaining to division bank accounts were amended to establish check signing authority for division employees holding the titles "Division Administration Manager", "Manager of Accounting", and "Manager of General Accounting", and the Secretary was designated as a certifying officer in place of the Treasurer and Assistant Treasurer.

9. The Model 340 airplane program was reviewed and on additional sales of this model a price increase for the standard Model 340 basic version was authorized. (Details on this action will require further action by the officers before release).

10. The following contributions were approved:

		Amount
a.	Committee for Economic Development	$1,500.00
b.	President's Contingency Fund	5.000.00
c.	Fort Worth Hospital	12,500.00
d.	Contingency Fund for Navy Relief Society	750.00
e.	Contingency Fund for Air Force Aid Society	750.00
f.	Contingency Fund for Washington and Dayton Offices ($250. each)	500.00
g.	Daingerfield Division School and Civil Programs	150.00
	March of Dimes	75.00
	Heart and Cancer Fund	50.00

January 29, 1953 - Continued

11. The issuance of the annual report, so amended, including the certified financial statements for the fiscal year ended November 30, 1952 for distribution to stockholders, was approved.

12. General McNarney made a general report on the progress of the company.

13. Mr. Watts reported on the status of the Plant 2 facilities at San Diego.

14. Messrs. McDonnell and Laddon led in a general discussion on matters relating to the management of Hiller Helicopters.

15. The next directors meeting will be held on the call of the Chairman.

March 17, 1953 - Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors held on January 29, 1953 were approved.

2. Action in connection with the proposed amendment of the Bylaws was postponed until the next meeting of the Board.

3. The financial statements as of December 31, 1952, January 31, 1953 and February 28, 1953, were received, discussed and filed.

4. The resolutions controlling contract signing authority were amended in the following respects:

   (a) The words "and outside production" were inserted in the description of subcontracting activities in the 3 sub-paragraphs relating to contracts with subcontractors.

   (b) Subcontract signing authority was established for holders of the title "Chief of Outside Production" limited to $500,000 value in any one case.

   (c) Subcontract signing authority was established for holders of the title "Outside Production Supervisor" limited to $20,000. value in any one case.

   (d) Purchase order signing authority was established for holders of the title "General Purchasing Agent" limited to $500,000. value in any one case.

   (e) Purchase order signing authority was established for holders of titles "Assistant Purchasing Agent" and "Senior Buyer" limited to $20,000. in any one case.

   (f) The title "Administration General Supervisor, Fort Worth Division" was eliminated and there was substituted therefor the title "General Supervisor-Contracts Administration, Fort Worth Division".

March 17, 1953 - Continued

5. The resolutions pertaining to division bank accounts were amended to establish check signing authority for holders of the title "Assistant to the Division Manager".

6. An appropriation of $580,000. was approved for San Diego Division capital expenditures for the fiscal year 1953.

7. An additional appropriation of $68,080 was approved for the 1953 advertising budget, bringing the total amount approved for this budget to $529,940.

8. The Model 340 airplane program was reviewed, action taken by the management with respect to the placing of forward orders for materials was approved, and on sales of airplanes numbered 177 and above a base price of $590,000. plus appropriate escalation provisions covering labor and material factors, was established.

9. An additional contribution of $2500. to the San Diego Chapter, American Red Cross was approved.

10. General McNarney reported on the progress of the company, particularly with respect to military projects.

11. Mr. Root, with the aid of charts, presented proposed plans for greater publicizing and identification of Convair in the various company locations. The estimated cost of the proposed signs and improvements aggregated approximately $77,400 if all proposed signs are purchased by the company, with a reduction in cost of approximately $28,000. if certain electric signs are leased instead of purchased. The proposed plans were approved in principle. The officers were requested to further consider the leasing rather than purchasing of certain electric signs.

12. It was announced that the next directors meeting will be held on the call of the Chairman.

April 6, 1953 - Board of Directors Meeting

1. The minutes of the meeting held on March 17, 1953 were approved.

2. The following action was taken relative to the forthcoming special (in lieu of annual) meeting of stockholders:

   (a) May 15, 1953 was fixed as the day for the special (in lieu of annual) meeting of stockholders of the company.

   (b) April 17, 1953 was fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the special (in lieu of annual) meeting of the stockholders of the company.

   (c) Messrs. R. C. Brockway and D. S. Devlin were appointed Judges of Election.

April 6, 1953 - Continued

(d) Messrs. Odlum, Cohu, McNarney, Inch and McDonnell were designated as the Management Proxy Committee.

(e) Messrs. Alvord, Codrington, Cohu, Gross, Harris, Hertz, Hopkins, Inch, Laddon, Henry M. Marx, McDonnell, McNarney, Miller, Naish, Notman, R. C. Patterson, Jr., Richardson, Robinson, Jr., and Rockefeller were nominated as candidates for election as directors of the company.

(f) The officers of the company were authorized to have the notice of special (in lieu of annual) meeting of stockholders, the proxy and the proxy statement, as presented to the meeting, subject to such changes as may be required by either the General Counsel or the Securities and Exchange Commission, printed and distributed to the stockholders of the company of record at the close of business April 17, 1953.

(g) The officers of the company were authorized to employ Georgeson & Co. to assist in the solicitation of proxies, and to pay said Georgeson & Co. a fee in the sum of $4,000. plus expenses incurred by them in the employment of not to exceed 40 assistants.

3. The resignations of Messrs. L. W. Miller, as Acting Treasurer, and G. T. Bovee, as Controller, were accepted, and G. T. Bovee was elected Treasurer and D. T. Fisher was elected Controller.

4. General McNarney reported on the general progress of the company.

5. An appropriation of $67,218.42 for items to be purchased outright, and $45,578.24 for lease of signs over a 3-year period, was approved for the Plant Identification program.

6. The meeting adjourned, to reconvene without further notice at 11:00 A.M. on Friday, April 17, 1953.

April 17, 1953 - Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors held on April 6, 1953 were approved.

2. A quarterly dividend of 45¢ a share, payable May 25, 1953, to stockholders of record May 15, 1953, was declared.

3. The first sentence of Section I, Article III of the Bylaws was amended, effective May 15, 1953, to read as follows:

   "The property and business of the corporation shall be managed and controlled by the Board of Directors consisting of nineteen persons."

4. The First National Bank of Jersey City (New Jersey) was appointed a co-transfer agent for stock of the company.

5. The resolutions pertaining to the General Office Disbursement Account maintained with the Bank of America, Five Points Branch, were amended

April 17, 1953 - Continued

to establish a check signing authority for the holder of the title "Director of General Accounting".

6. A contribution of $6,000. to the San Diego Society for Crippled Children Hospital Fund was approved.

7. The financial statements as of March 31, 1953 were received, discussed and filed.

8. General McNarney led in the presentation of an extended report on the progress of the company, in which report Messrs. Naish, Biron, Lanphier, Miller, Sebold, Watts, Zevely, Coggan and Esenwein participated.

9. Mr. Hopkins commented on the reports presented by the management and asked that the reports be again presented at the forthcoming annual meeting of the Board.

10. The management was authorized to pay a fee of $15,000. to George E. Allen for services rendered, upon Mr. Allen's presentation of invoice for such services.

11. Mr. Odlum announced that the next meeting of the Board, as presently constituted, will be held in San Diego on May 15, 1953, immediately preceding the annual meeting of the stockholders, and that the annual meeting of the newly elected Board of Directors will be held on the same date immediately following the annual meeting of stockholders.

May 15, 1953 - Board of Directors Meeting (A.M.)

1. The minutes of the meeting of the Board of Directors held on April 17, 1953 were approved.

2. The existing expense allowance for the Chairman of the Board was terminated, effective upon full payment to him for the month of May, 1953.

3. The Chairman made a general statement concerning the earnings and finances of the company.

4. A resolution was adopted and ordered engrossed in which the directors and officers of the corporation expressed their sincere appreciation of Mr. Odlum's outstanding services to the nation and to the corporation, their deep regret at his severance of a most cordial official relationship, and their hearty wishes for his continued success, health and happiness in his many activities.

May 15, 1953 - Stockholders Meeting

1. The Chairman requested the stockholders present to give their names to the Secretary, if they had not already done so, and if any stockholder had submitted a proxy and desired to withdraw it and vote in person he should notify the Secretary immediately.

2. The notice of the meeting was presented and ordered filed.

3. An affidavit was presented which showed that a notice of the special (in lieu of annual) meeting was mailed on April 21, 1953, to all registered holders of common stock of the company of record at the close of business April 17, 1953.

4. The Secretary presented an alphabetical list of the stockholders of common stock of the company of record at the close of business April 17, 1953, showing that on the record date 2,379,298 shares of common stock of the company were issued and outstanding and entitled to vote, and that a majority or quorum amounted to 1,189,649 shares. He stated that the list had been open to the examination of any stockholder for at least ten days prior to the meeting, and would remain open during the meeting.

5. The Chairman announced that the minutes of the meetings of the Directors and the Executive Committee held since the date of the previous annual meeting were available at the meeting in the event any stockholder cared to examine them.

6. Messrs. R. C. Brockway and D. S. Devlin qualified as Judges for the purposes of the meeting.

7. The Judges reported that 2,115,292 shares were represented by the stockholders present in person, or represented by proxy. Thereupon, the Chairman declared that a quorum existed.

8. The minutes of the annual meeting of the stockholders held on April 21, 1952, were approved.

9. The Chairman announced that the meeting would proceed with the election of 19 directors, and the following persons were nominated for election as directors of the company:

Ellsworth C. Alvord	Donald N. McDonnell
George W. Codrington	Joseph T. McNarney
LaMotte T. Cohu	Clifton M. Miller
Lambert J. Gross	J. V. Naish
Roger I. Harris	J. Geoffrey Notman
John D. Hertz	R. C. Patterson, Jr.
John Jay Hopkins	Lawrence B. Richardson
S. R. Inch	O. P. Robinson, Jr.
I. M. Laddon	W. C. Rockefeller
Henry M. Marx	

10. The Judges proceeded to conduct the voting by ballot, during which time matters of general interest to the stockholders were discussed by John Jay Hopkins, director nominee, and the following officers and executives of the company: Floyd B. Odlum, Joseph T. McNarney, J. V. Naish, B. F. Coggan and A. C. Esenwein.

11. It was ordered that a digest of the statements made by Messrs. Odlum, Hopkins and McNarney be prepared in such form as may be approved by the Chairman of the Board, and copies of the digest mailed to all stockholders.

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May 15, 1953 - Continued

12. The Chairman announced that the following were elected directors of the company: Messrs. Ellsworth C. Alvord, George W. Codrington, LaMotte T. Cohu, Lambert J. Gross, Roger I. Harris, John D. Hertz, John Jay Hopkins, S. R. Inch, I. M. Laddon, Henry M. Marx, Donald N. McDonnell, Joseph T. McNarney, Clifton M. Miller, J. V. Naish, J. Geoffrey Notman, R. C. Patterson, Jr., Lawrence B. Richardson, O. P. Robinson, Jr., and W. C. Rockefeller.

13. The stockholders present were invited to attend a luncheon to be served immediately after the meeting was adjourned and thereafter either to make an escorted tour through certain unrestricted portions of the San Diego Division plant or to see a motion picture of San Diego Division operations.

May 15, 1953 - Board of Directors Meeting (P.M.)

1. The Chairman announced the election by the stockholders of Messrs. Alvord, Codrington, Cohu, Gross, Harris, Hertz, Hopkins, Inch, Laddon, Marx, McDonnell, McNarney, Miller, Naish, Notman, Patterson, Jr., Richardson, Robinson, Jr., and Rockefeller, as directors for the ensuing year.

2. Mr. John Jay Hopkins was elected Chairman of the Board.

3. The first sentence of Section I, Article III of the Bylaws, was amended to read as follows:

   "The property and business of the corporation shall be managed and controlled by the Board of Directors consisting of twenty persons."

4. Mr. Frank Pace, Jr., was elected a member of the Board to fill this vacancy.

5. The following officers were elected to hold office, at the pleasure of the Board, until the next annual meeting of the Board of Directors or until their successors are elected, at their present rates of compensation (except that of the Treasurer to be changed as specified, effective June 1, 1953) until further action by the Board:

Name	Office
Joseph T. McNarney	President
J. V. Naish	Executive Vice President
Robert B. Watts	Vice President and General Counsel
R. H. Biron, Jr.	Vice President
T. G. Lanphier, Jr.	Vice President and Assistant to the President
L. W. Miller	Vice President
R. C. Sebold	Vice President
D. T. Fisher	Controller
G. T. Bovee	Treasurer
Edmund Burke	Secretary

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May 15, 1953 - Continued

6. The Chairman announced the appointment of Mr. W. C. Rockefeller as Executive Assistant to the Chairman of the Board, and the continuation of his present rate of compensation was approved.

7. A contract with Mr. Cohu, to serve at the pleasure of the Board as consultant, was approved.

8. The financial statements as of April 30, 1953 were received, discussed and filed.

9. The Charactron project was discussed and an appropriation of $97,778. for the Charactron Project Budget for the period from June 1 to November 30, 1953, was approved.

10. In view of his detailed report made prior to the formal Board meeting, the usual report by the President was omitted.

11. An appropriation of $13,000. for full-page advertisements having reference to the 30th anniversary was approved, subject to approval by the President before expenditure.

12. Effective in July 1953, the Friday which precedes the last Thursday in each month was set as the date for regular meetings of the Board.

13. The next regular meeting of the Board was set to be held at the Fort Worth offices on Monday, June 15, 1953.

June 15, 1953 - Board of Directors Meeting

1. The minutes of the two meetings of the Board of Directors held on May 15, 1953, were approved.

2. The Bylaws of the company were amended to provide for more than one Vice Chairman of the Board; to change the compensation of directors; and to make minor changes in the phraseology of several sections.

3. Messrs. Pace and Richardson were elected Vice Chairmen of the Board.

4. An Executive Committee composed of Messrs. Hopkins (Chairman) McNarney, Richardson, Pace, Naish, Codrington and Inch, was elected, and it was determined that three members of the committee will constitute a quorum.

5. The following committees were appointed:

   A. Administration and Organization

      Joseph T. McNarney, Chairman
      Frank Pace, Jr.
      Henry M. Marx

   B. Salary

      G. W. Codrington, Chairman
      Donald N. McDonnell
      C. M. Miller

C. Incentive Compensation

John D. Hertz, Chairman
G. W. Codrington
E. C. Alvord

D. Auditing

C. M. Miller, Chairman
L. J. Gross
L. T. Cohu

E. Education Advisory

L. B. Richardson, Chairman
I. M. Laddon
O. P. Robinson, Jr.

6. The action of L. W. Miller in executing an amendment to the Credit Agreement substituting the name of Mr. Hopkins for Mr. Odlum where it appears in the Credit Agreement, was ratified.

7. The officers of the company were authorized to negotiate and execute an extension of a tideland permit for a one year period from June 30, 1953 to June 30, 1954, at a total rental of $10,000, on approximately 114.5 acres of tidelands lying between Harbor Drive and Lindbergh Field, San Diego.

8. A. C. Esenwein was elected a Vice President of the company and his annual rate of compensation was fixed.

9. The officers of the company were authorized to place orders in the approximate aggregate amount of $3,095,000 for the balance of materials needed for the production of Model 340 airplanes No. 208 through 239, subject to such commitments being within the provisions of the company's Credit Agreement.

10. The following contributions were approved:

		Amount
a.	Overseas Press Club of America, Inc. (With authority granted to the President to increase the amount to $1,000 at his discretion.)	$500.00
b.	San Diego County Traffic Safety Council	500.00
c.	United Jewish Fund of San Diego	250.00
d.	The company's sponsorship of the 1954 P.G.A. Open Golf Tournament for San Diego, involving underwriting of purses, fees and expenses, and the expenditure of funds for interim expenses was approved (by establishment of special account of). . . .	2,000.00

June 15, 1953 - Continued

11. The preliminary financial statements as of May 31, 1953, were received, discussed and filed.

12. At the request of the Defense Department a resolution was adopted providing that no foreign national employed by or attached to this company is to have access to the classified matter of any United States Military Department without the express consent of the department involved.

13. General McNarney reported on the progress of the company and Mr. Zevely reported on Model 340 sales prospects, after which Mr. Biron commented on the labor situation at the Fort Worth Division, Mr. Arnold presented picture slides showing company occupied facilities at Daingerfield, Texas, and Mr. Esenwein presented charts showing the status of projects at the Fort Worth Division.

14. The next directors meeting was set to be held in San Diego on Friday, July 24, 1953.

July 24, 1953 - Board of Directors Meeting

1. A quarterly dividend of 45¢ a share, payable August 25, 1953 to stockholders of record August 14, 1953, was declared.

2. J. G. Zevely and Mark Miller presented a review of the Model 340 sales program.

3. The minutes of the meeting of the Board of Directors held on June 15, 1953, were approved.

4. The resolutions controlling contract signing authority were amended to set a fixed pattern for future operations.

5. The existing resolutions establishing bank accounts and controlling check signing authority (with the exception of the General Office Disbursement Account presently maintained with the Bank of America, Five Points Branch, San Diego, and the Buttress & McClellan, Inc.-Convair Special Account maintained with the Bank of America, Pomona) were rescinded, and new resolutions were adopted to set a fixed pattern for future operations.

6. The appointment of Charles F. Horne as Division Manager of the Pomona Division, effective July 15, 1953, and the execution of his employment contract, were ratified.

7. The report and recommendations of the Administration and Organization Committee were referred to the officers of the company with authority to act, subject to the approval of the Chairman.

8. Upon the recommendation of the Salary Committee a resolution was adopted to provide that consultant arrangements with former officers of the company who are Board members, will terminate at the conclusion of the current fiscal year.

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July 24, 1953 - Continued

9. Upon the recommendations of the Auditing Committee resolutions were adopted appointing Arthur Young and Company as independent auditors of the company for the current fiscal year, and appoint- Arthur Andersen & Co. as independent auditors of the company for the fiscal year 1954, subject to election by the stockholders.

10. A capital expenditure of $50,000. for the remodeling and rehabilitation of Convair property at Kurtz and Greenwood Streets, San Diego, was authorized.

11. The officers of the company were authorized to sell the Model 240 airplane presently under lease to Hughes Aircraft Company, Division Hughes Tool Company, on such terms and conditions as the Chairman may approve.

12. General McNarney presented a forecast of profits on the Model 340 program.

13. The distribution to stockholders of copies of the unaudited report for the six months ended May 31, 1953, was authorized.

14. The financial statements as of June 30, 1953 were received, discussed and filed.

15. The security resolution adopted on July 24, 1953 was amended by adding a clause providing that any individual serving as an officer or official of this company who is not a citizen of the United States, will be denied access to all classified United States security information.

16. General McNarney reported on the progress of the company and B. F. Coggan presented slides and motion pictures relating to projects at the San Diego Division.

17. The Chairman announced that the next meeting of the Board will be a special (in lieu of regular) meeting, and will be held on Monday, August 24, 1953, in New York City.

August 24, 1953 - Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors held on July 24, 1953, were approved.

2. The resignation of L. W. Miller as Vice President, to become effective November 30, 1953, was received and accepted.

3. The resignation of W. C. Rockefeller as Director was received and accepted, effective as of that date. His resignation as Executive Assistant to the Chairman of the Board, to become effective November 15, 1953, was announced.

4. The officers of the company were authorized to make commitments in the aggregate amount of $6,120,000 as required for the purchase of certain long lead time items, to be committed as necessitated by the respective lead time for such items. This authorization does not involve any production commitment and is subject to review at succeeding meetings of the Board.

August 24, 1953 - Continued

5. The officers of the company were authorized to establish at a time when in their judgment it is considered appropriate, the practice of granting an annual three weeks' vacation with pay to salaried employees of the company who have been employed by the company not less than ten years.

6. A contribution of $25,000 to San Diego Hospital Association Building Fund to be paid in the current fiscal year, was approved.

7. The financial statements as of July 31, 1953 were received, discussed and filed.

8. The text of the Chairman's letter as contained in the Report to Share Owners for the six months' period ended May 31, 1953, was approved.

9. General McNarney reported on the progress of the company.

10. The Chairman announced that the next regular meeting of the Board will be held on Friday, September 18, 1953, in San Diego.

September 18, 1953 - Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors held on August 24, 1953, were approved.

2. The resolutions which designated Manufacturers Trust Company, New York City, as a custodian depositary for securities belonging to the company, were rescinded.

3. The financial statements as of August 31, 1953, were received, discussed and filed.

4. The Model 340 program was reviewed. The situation affecting the delivery of the last three Model 340 airplanes purchased by Braniff Airways, was discussed.

5. A contribution of $50,000 to the San Diego 1954 Community Chest was authorized. The President may use his discretion as to whether any portion of this contribution shall be designated as applicable to the San Diego 1953 Community Chest.

6. General McNarney reported on the progress of the company.

7. Mr. Pace announced that the next regular meeting of the Board will be held on Friday, October 23, 1953, at Fort Worth.

October 23, 1953 - Board of Directors Meeting

1. A quarterly dividend of 45¢ a share, payable November 25, 1953 to stockholders of record November 13, 1953, was declared.

2. The minutes of the meeting of the Board of Directors held on September 18, 1953, were approved.

3. The resignation of Mr. J. Geoffrey Notman as director, effective September 18, 1953, was received and filed.

4. A change in the salary of Mr. J. W. Larson Chief Engineer, Fort Worth Division, was approved.

5. The execution of a grant deed transferring title of Vultee Field Facility from Convair to the United States Government, was ratified and approved.

6. The following bank resolutions which established bank accounts not being presently used, were rescinded:

   A. Resolutions adopted August 10, 1943 providing for the use of facsimile signatures on payroll checks drawn on Bank of America at Downey, California.

   B. Resolutions adopted January 18, 1944 establishing a General Office Travel Expense Reimbursement Account.

   C. Resolutions adopted October 9, 1951, as amended, establishing a Buttress & McClellan, Inc., and Consolidated Vultee Aircraft Corporation, Guided Missile Division, Special Bank Account.

   D. Resolutions adopted February 20, 1952 establishing a special bank account with National Bank of Tulsa, Tulsa, Oklahoma, for use in connection with oil business.

7. It was announced that an agreement is being made with Johnson & Higgins, insurance brokers, under which agreement that firm will make a study of the Convair Annuity Plan and submit its recommendations as to changes in the Plan.

8. The execution of a letter agreement dated July 29, 1953 between Air Carrier Service Corporation, Bank of America and Convair, in connection with the purchase of Model 340 airplanes by Real S/A - Transportes Aereos, was ratified.

9. Mr. R. F. Windfohr was elected director.

10. The financial situation of Hiller Helicopters was discussed and the officers of the company were authorized to dispose of approximately $80,000 in face value of Hiller Helicopters Debentures owned by Convair, and also dispose of the 6408 shares of Airfleets, Inc. Common Stock owned by Convair.

11. The Model 340 program was reviewed.

12. General McNarney reported on the progress of the company.

13. The financial statements as of September 30, 1953 were received, discussed and filed.

October 23, 1953 - Continued

14. A special appropriation of $100,000 for a research program leading to the development of a prototype printer to be used in conjunction with Charactron, was approved.

15. Proposed contributions for 1954 aggregating $172,850, which aggregate amount included a previously approved contribution to the San Diego Community Chest, was approved.

16. Mr. Hopkins announced that the next regular meeting of the Board will be held on Friday, November 20, 1953, at Pomona.

November 20, 1953 - Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors held on October 23, 1953, were approved.

2. Section I of Article VII of the Bylaws was amended.

3. An Incentive Compensation Plan, effective commencing with December 1, 1952, was approved, subject to the approval of the stockholders of the company during the year 1954.

4. The investment of the company in Hiller Helicopters Debentures was discussed.

5. General McNarney reported on the progress of the company.

6. The financial statements as of October 31, 1953 were received, discussed and filed.

7. The following additional contributions were approved for payment in the current fiscal year:

General Office	Amount
Air Force Aid Society	$7,000.00
Arthritis and Rheumatism Foundation	10,000.00
The David, Josephine and Winfield Baird Foundation, Inc.	30,000.00
Winfield Baird Foundation	30,000.00
The Lansing Foundation, Inc.	15,000.00
Lovelace Foundation for Medical Education and Research	18,000.00
University of Colorado	5,000.00
San Diego Hospital Association Building Fund	100,000.00
Total	$215,000.00

8. An amount to be paid to Mr. Floyd B. Odlum on account, for services rendered to the company as Chairman of the Board, was approved.

9. The Model 340 program was reviewed.

10. An advertising appropriation for 1954 aggregating $499,958.49 was approved.

November 20, 1953 - Continued

11. An engineering research and development budget for 1954 aggregating $850,000 was approved.

12. The next meeting of the Board, a special (in lieu of regular) meeting was set to be held at 445 Park Avenue, New York City, on Friday, December 18, 1953.

13. Mr. Horne and members of his engineering group made a presentation relating to products of the Pomona Division.

December 18, 1953 - Board of Directors Meeting.

1. The minutes of the meeting of the Board of Directors held on November 20, 1953 were approved.

2. General McNarney reported on the progress of the company.

3. A capital expenditures appropriation for 1954, aggregating $2,200,000 was approved.

4. Forecasts relating to finances of the company were reviewed.

5. The Model 340 program was reviewed.

6. The Manufacturing Research and Development Program Budget for 1954, aggregating $325,843 was approved.

7. A committee composed of Messrs. Hertz and Inch was appointed to review and make recommendations to the Board with reference to compensation to Mr. Odlum for services rendered in fiscal years ending November 30, 1952.

8. A committee composed of Messrs. McNarney (Chairman), Codrington, Laddon, Miller and Pace, was appointed to examine the Hiller Helicopter situation and report to the Board on the advisability of acquiring the shares of stock in that company presently held by Stanley Hiller, Jr.

9. An additional contribution of $7,000 was approved for payment to the San Diego Community Chest.

10. Messrs. McDonnell, Inch, Patterson, Jr. and Alvord were appointed to report to the Board in respect of the advisability and feasibility of an amalgamation of the company with General Dynamics Corporation.

11. The next meeting of the Board, a special (in lieu of regular) meeting was set to be held in San Diego on Monday, January 25, 1954.

January 25, 1954 - Board of Directors Meeting

1. A quarterly dividend of 45¢ a share payable February 25, 1954, to stockholders of record February 11, 1954, was declared.

2. The minutes of the meeting of the Board of Directors held on December 18, 1953, were approved.

3. The action of Robert B. Watts in executing a proxy for use at the annual meeting of stockholders of Manufacturers Aircraft Association, Inc., scheduled to be held on January 26, 1954, was ratified.

4. Increases made in the annual salary rate of J. E. Arnold, Division Manager, Daingerfield Division, effective November 3, 1952 and February 16, 1953, were ratified.

5. The salaries of G. T. Bovee and Edmund Burke were increased effective January 1, 1954, and the salary of J. E. Arnold was increased effective December 28, 1953 to conform with the general increase in salaries effective as of those dates.

6. General McNarney reported on the progress of the company.

7. Mr. Biron made a report on industrial relations.

8. The Model 340 Program was reviewed.

9. Preliminary financial statements as of November 30, 1953 were received, discussed and filed.

10. General McNarney made an interim report on the Hiller Helicopter situation.

11. A payment of $135,000 as compensation to Mr. Odlum for his services as Chairman rendered in fiscal years ended November 30, 1952, was authorized.

12. A retainer fee of $25,000 to be paid to Alvord and Alvord for the year beginning January 1, 1954, was authorized.

13. A fee of $12,000 to be paid to Kramer, Marx, Greenlee & Backus for services rendered during the period May 15, 1953 to December 31, 1953, was authorized.

14. The following contributions were approved:

	Amount
a. Flight Safety Foundation	$1,000.00
b. Young Men's Christian Association in San Diego	9,000.00
Total	$10,000.00

15. An additional commitment of $210,000 for the modification of the Southern California Cooperative Wind Tunnel was authorized.

16. Sponsorship and underwriting of the Convair-San Diego P.G.A. Open Golf Tournament to be held in San Diego in January, 1955 was authorized.

17. Payment of $2,500 to Johnson & Higgins was authorized for the services of that firm in making a preliminary study of the annuity plan of the company and a report thereon.

January 25, 1954 - Continued

18. The distribution to share owners of the annual report for the fiscal year ended November 30, 1953 to include the financial statements, as certified by the independent auditors, and the Chairman's letter, was authorized.

19. The officers of the company were authorized to employ Georgeson & Co., to assist with the solicitation of proxies to be used at the forthcoming special (in lieu of annual) meeting of stockholders.

20. The next meeting of the Board, a special (in lieu of regular) meeting, was set to be held in San Diego on Monday, March 1, 1954.

February 26, 1954 - Executive Committee Meeting

1. Mr. August C. Esenwein was authorized to execute for and in behalf of the company a certain Amendment No. 2 to Letter Contract No. AF41(608)-6858 with the U.S. Government in the amount of approximately $4,000,000, subject to legal approval of the contents of said Letter Contract Supplement.

March 1, 1954 - Board of Directors Meeting

1. The minutes of the meeting of the Board of Directors held on January 25, 1954, were approved.

2. Consideration was given to the declaration of a special dividend, and even though the earnings of the company would justify a declaration of a small special dividend, it was the consensus of opinion that because of other countervailing considerations, a special dividend should not be declared at this time, and no action was taken.

3. A resolution was passed amending Section I of Article XI of the Bylaws and fixing the fiscal year of the corporation to begin on the first day of January and terminate upon the last day of December in each year.

4. Resolutions were passed appointing Arthur Young and Company as independent auditors of the company for the month of December, 1953, and Arthur Andersen & Co. as independent auditors of the company for the calendar year 1954.

5. An Incentive Compensation Plan Committee, composed of the following members, was appointed:

   John D. Hertz (Chairman)
   George W. Codrington (Vice Chairman)
   Ellsworth C. Alvord
   S. R. Inch
   C. M. Miller

   The above committee was vested with full power and authority to interpret and administer the Incentive Compensation Plan as adopted by the Board of Directors on November 20, 1953.

6. The following action was taken relative to the advisability and feasibility of an amalgamation of the company with General Dynamics Corporation:

   (a) The Agreement of Merger of the company with and into General Dynamics Corporation, in the form presented to the meeting, annexed as Exhibit A to the proof of the proxy statement of the company for a special (in lieu of annual) meeting of stockholders to be held April 29, 1954 was approved, adopted and declared advisable and in the best interests of the company and its share holders.

   (b) That after the execution of said Agreement of Merger by the directors, the same be submitted to share owners of the company at a special meeting to be held on April 29, 1954, and that due notice thereof by newspaper publication be given.

   (c) That if at such meeting the votes of share owners representing 2/3 of the total number of shares of common stock of the company shall be for the adoption of the Agreement of Merger, such fact shall be certified upon the Agreement of Merger, signed and acknowledged, and in the event said Agreement of Merger is adopted, approved and executed by General Dynamics Corporation, the same shall be filed in the office of the Secretary of State of Delaware and recorded in the office of the Recorder of Kent County, Delaware and the office of the Recorder of New Castle County, Delaware and shall be taken and deemed to be the agreement of merger of the company with and into General Dynamics Corporation.

   (d) The proper officers of the company were authorized to execute, deliver, file or make other disposition of any and all documents and to take any and all action deemed advisable to effectuate the foregoing.

7. The following action was taken relative to the forthcoming special (in lieu of annual) meeting of share owners:

   (a) April 29, 1954 was fixed as the day for the special (in lieu of annual) meeting of share holders of the company.

   (b) The close of business March 26, 1954 was fixed as the record date for determining the holders of common stock of the company entitled to receive notice of and to vote at the special (in lieu of annual) meeting of the share owners of the company.

March 1, 1954 - Continued

(c) Messrs. Edmund Burke and John J. Hayes were appointed Judges of Election.

(d) Messrs. Cohu, Hopkins, Inch, McDonnell and McNarney were appointed members of the committee to solicit proxies.

(e) The proof of the notice of special (in lieu of annual) meeting of share owners, proxy statement, proxy and letter of the Chairman of the Board to share owners, to be distributed to the share owners of the company in connection with the special (in lieu of annual) meeting thereof to be held on April 29, 1954, was approved.

(f) The proper officers of the company, with the approval of the Chairman of the Board, were authorized to prepare, mail or otherwise employ such other material as may be deemed necessary or advisable in connection with said meeting.

8. General McNarney made a detailed report on the progress of the company.

9. The Model 340 Program was reviewed.

10. The financial statements as of December 31, 1953 and January 31, 1954 were received, discussed and filed.

11. A special (in lieu of regular) meeting of the Board was set for Friday, March 26, 1954, at San Diego.

March 26, 1954 - Board of Directors Meeting

1. The minutes of the meeting of the Executive Committee held on February 26, 1954, and the minutes of the meeting of the Board of Directors held on March 1, 1954, were approved.

2. General McNarney made a detailed report on the progress of the company.

3. The Model 340 Program was reviewed.

4. The following resolution was passed in regard to a proposed sales financing policy to be used in selected instances on Model 340 airplane sales to foreign air lines:

(a) The officers of the company were authorized to accept promissory notes in part payment for Model 340 airplanes, the company remaining contingently liable as to not in excess of 37½% of the sales price of such airplanes, this policy to extend to the sale of not in excess of 24 Model 340 airplanes to air lines of acceptable credit standing existing and operating under the laws of foreign countries which are signatories to the Geneva agreement.

(b) The credit standing and the form of the transaction in each instance shall have the prior approval of a majority of the members of a committee hereby appointed and consisting of: Messrs. Frank Pace, Jr., J. V. Naish and Lambert J. Gross.

Mr. Naish stated that he thought the transactions might possibly take the following form, with such variations as conditions in each instance would warrant:

(1) 25% of the purchase price of each airplane to be paid in United States dollars by the purchaser at or prior to the time of the execution of the purchase contract;

(2) 75% of the purchase price of each airplane at the time of delivery of such airplane, either directly from the purchaser or through the proceeds of the sale of notes of the purchaser providing for the payment of said amount over not more than a three-year period in equal installments, such notes to be secured by a mortgage to the holder on the airplane;

(3) The national bank of the country involved, or a bank in that country acceptable to the company, to guarantee to the financing agency that it will transfer U.S. dollars to the financing agency representing the value of the local currency as presented to the local bank by the air line for payment on the notes;

(4) The company to accept recourse in no event to exceed 37½% of the purchase price of the airplane;

(5) The term "airplane" to include spare parts normally ordered in connection therewith not to exceed in dollar value 20% of the purchase price of the airplane.

5. The financial statements as of February 28, 1954, were received, discussed and filed.

6. The following contributions were approved:

		Amount
a.	Red Cross, San Diego, additional contribution	$3,000.00
b.	Diagnostic Laboratory for San Diego County Heart Association	1,000.00
c.	Texas Christian University	2,500.00
d.	Southern Methodist University	2,500.00
e.	Texas Wesleyan College	2,500.00
f.	California Western University, San Diego, in the discretion of the President, not to exceed. . .	10,000.00

	Amount
g. Young Men's Christian Association, for a rehabilitation and construction program of that association in San Diego, extending over a three-year period, an increase of.. (making the total contribution $15,000.00)	6,000.00
h. To a fund for the establishment of the Jerome Clarke Hunsaker Professorship of Aeronautics at Massachusetts Institute of Technology	25,000.00

7. The following resolutions were passed regarding the radio stations presently operated by the company under licenses granted by the Federal Communications Commission:

   (a) The officers of the company were authorized to organize as a wholly-owned subsidiary a Delaware corporation with authorized capital stock of 100,000 shares of $1. par value common stock, to commence business with a minimum capital of $1,000.

   (b) The officers of the company were authorized to transfer to said subsidiary corporation, in exchange for an appropriate amount of fully-paid shares of the stock of said subsidiary corporation, the sum of $1,000 in cash and company-owned radio transmitting and receiving equipment as designated by said officers.

   (c) The officers of the company were authorized to enter into a further contract with said subsidiary corporation under which, for a period of not to exceed ten years, the control and maintenance of radio stations of the character heretofore operated by the company under licenses from the Federal Communications Commission will be undertaken by said subsidiary corporation and under which the company will pay to said subsidiary corporation a nominal management fee plus current reimbursement of all of its costs and expenses.

   (d) The officers of the company were authorized to take such action and execute such documents as may be deemed necessary to effectuate the foregoing.

8. The Chairman announced that in the event of the consummation of the proposed agreement of merger of this company and General Dynamics Corporation, there would be a meeting of the Board of Directors of the Surviving Corporation on Friday, April 30, 1954, at the Mayflower Hotel, Washington, D. C.

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April 29, 1954 - Stockholders Meeting

1. The Secretary reported the number of share owners present in person or by proxy, and the Chairman thereupon announced that a quorum was present or represented and that the meeting was legally convened.

2. The Secretary presented the following:

   (a) The notice of call of the meeting, together with affidavit of service of The Chase National Bank, and affidavit of publication of The Journal-Every Evening.

   (b) An alphabetical list of the names and addresses of the share owners, and the number of shares held by them, respectively.

   (c) The minute books of the corporation.

   (d) Copies of the annual report of the corporation for 1953.

   (e) Copies of the Bylaws of the corporation and the Agreement of Merger of Vultee Aircraft Inc. and Consolidated Aircraft Corporation.

   (f) Copies of proxy statement of the corporation dated March 26, 1954.

3. The Chairman announced that the objects of the meeting were:

   (a) Consideration and voting upon the adoption or rejection of an Agreement of Merger of Consolidated Vultee Aircraft Corporation with and into General Dynamics Corporation, and

   (b) Consideration and voting upon the approval or rejection of an Incentive Compensation Plan, and

   (c) Consideration and action upon any other business which may properly come before the meeting.

4. Messrs. Edmund Burke and John J. Hayes qualified as Judges of Election.

5. The Chairman announced that one ballot would be used for voting on the proposals as follows:

   Proposals No. 1 - Agreement of Merger dated April 29, 1954

   No. 2 - Incentive Compensation Plan of Consolidated Vultee Aircraft Corporation.

   The Chairman stated that a copy of the Agreement of Merger was annexed as Exhibit A to the Proxy Statement and a copy of the Incentive Plan as Exhibit F to the Proxy Statement had been

mailed to share owners of record March 26, 1954, and that a number of each were also available at the meeting.

Henry M. Marx then moved the adoption of the following resolutions:

(a) That the Agreement of Merger be adopted and approved.

(b) That the proper officers of the Corporation be authorized to take such action relating to said Agreement of Merger as may be required by the laws of the State of Delaware, and to cause said Agreement of Merger to be filed in the office of the Secretary of State of Delaware and recorded in Kent County Delaware and in New Castle County, Delaware.

(c) That the proper officers and directors of the Corporation be authorized to take any and all further action deemed necessary to consummate said Agreement of Merger.

(d) That the Incentive Compensation Plan be adopted and approved.

The Chairman recognized J. V. Naish, who seconded the motion.

6. The Chairman requested share owners and their proxies to cast their ballots with respect to the foregoing resolutions.

7. The Chairman stated that while the Judges of Election were collecting the ballots, the officers would be glad to answer any pertinent inquiry made by any share owner.

8. The Judges of Election reported that they had completed the collection of the ballots cast.

The Chairman stated that a motion to close the polls was in order.

I. M. Laddon made a motion that the polls be closed, and Mr. Cohu seconded the motion. There being no objections to the motion, the Chairman declared the polls closed.

9. The Chairman announced that while the Judges of Election were preparing their report, the officers would be glad to answer any further inquiries made by any share owner.

10. At the invitation of the Chairman, the Judges of Election presented their written report as follows:

(a) The vote of the holders of 1,759,733 fully-paid and partly-paid shares of Common Stock (73.95% of the total number of such shares) had been cast in favor of the resolution adopting and approving the Agreement of Merger, and the

votes of the holders of 51,761 fully-paid and partly-paid shares of Common Stock of the Corporation (2.17% of the total number of such shares) had been cast against said resolution;

(b) The votes of the holders of 1,841,094 fully-paid and partly-paid shares of Common Stock (77.36% of the total number of such shares) had been case in favor of the resolution approving the Incentive Compensation Plan and the votes of the holders of 91,540 fully-paid and partly-paid shares of Common Stock of the corporation (3.84% of the total number of such shares) had been cast against said resolution.

The Chairman thereupon declared that the resolution relating to the Agreement of Merger had been approved by the votes of the holders of at least two-thirds of the total number of shares of the Capital Stock of the corporation and that the resolution relating to the Incentive Compensation Plan had been approved by the votes of the holders of at least a majority of such shares, and that said Agreement of Merger and said Incentive Compensation Plan had been duly approved. He directed the Secretary to file the Report of the Judges with the records of the meeting.

11. The Chairman asked if there was any further business to be brought before the meeting. No further business having been presented, George W. Codrington moved that the meeting be adjourned and S. R. Inch seconded the motion. There being no opposed votes on presentation of the motion, the Chairman announced the motion as having been carried, and declared the meeting adjourned.

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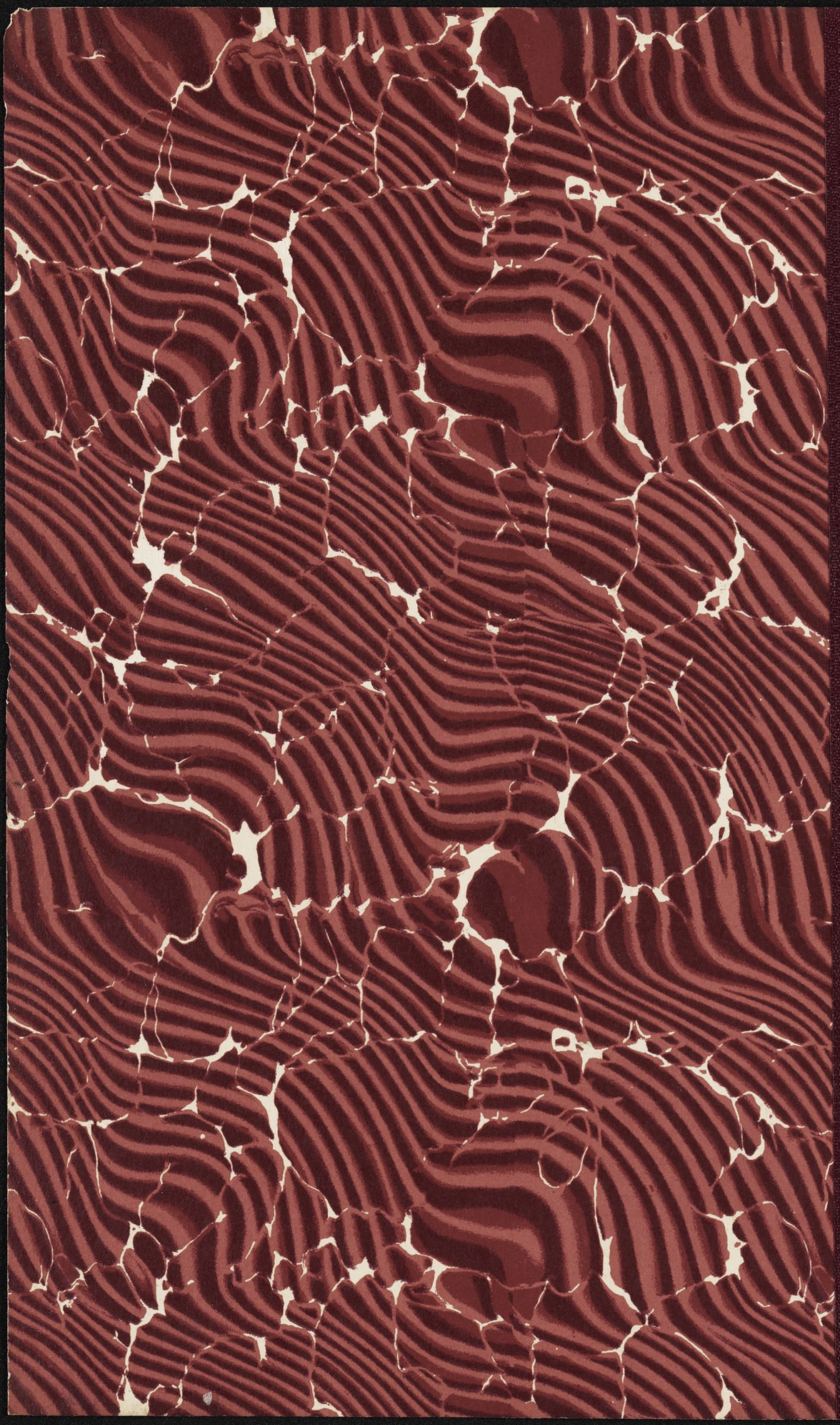

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